



## **Job Training Partnership Act**

[Note: Two compilations of the Act are provided. The compilation below contains the amendments made by the Job Training Reform Amendments of 1992 (Public Law 102-367) that take effect on July 1, 1993. The preceding compilation does not contain the amendments made by the Job Training Reform Amendments of 1992 that take effect on July 1, 1993.]

### **[2nd Compilation]**

AN ACT To provide for a job training program and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*



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AN ACT To provide for a job training program and for other purposes.

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(29 U.S.C. 1501, note) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1322.

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#### STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to establish programs to prepare youth and adults facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the work force and enhancing the productivity and competitiveness of the Nation.

(29 U.S.C 1501) Enacted September 7, 1992, P.L. 102-367, sec. 101(b), 106 Stat. 1022.

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a)(1) There are authorized to be appropriated to carry out parts A and C of title II such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year. Of the sum appropriated to carry out parts A and C of title II for each such fiscal year, an amount not less than 40 percent of such sums shall be made available to carry out part A of such title and an amount not less than 40 percent of such sums shall be made available to carry out part C of such title.

(2) There are authorized to be appropriated to carry out part B of title II such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year.

(b) There are authorized to be appropriated to carry out title III (other than section 326 thereof)—

(1) \$980,000,000 for fiscal year 1989; and

(2) such sums as may be necessary for each succeeding fiscal year.

(c)(1) There are authorized to be appropriated to carry out parts A, C, D, E, F, and G of title IV for fiscal year 1993 and each succeeding fiscal year an amount equal to not more than 7 percent of the total amount appropriated to carry out this Act for each such fiscal year.

(2) From the amount appropriated under paragraph (1) for any fiscal year, the Secretary—

(A) shall first reserve—

(i) an amount of not less than 3.3 percent of the amount available for parts A and C of title II for such fiscal year to carry out section 401; and

(ii) an amount of not less than 3.2 percent of the amount available for parts A and C of title II for such fiscal year to carry out section 402; and

(B) after making such reservations, shall reserve—

(i) an amount equal to 7 percent of the amount appropriated under paragraph (1) to carry out part C of title IV;

(ii) \$15,000,000 to carry out section 453, of which—

(I) not less than 20 percent shall be used to carry out section 453(b);

(II) not less than 20 percent shall be used to carry out section 453(c); and

(III) \$1,000,000 shall be used to carry out section 453(d);

(iii) \$6,000,000 to carry out subsections (e) and (f) of section 462; and

(iv) \$2,000,000 to carry out part F of title IV.

(3) There are authorized to be appropriated to carry out part H of title IV \$100,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 through 1997.

(4) There are authorized to be appropriated to carry out part I of title IV \$5,000,000 for each of the fiscal years 1993 through 1997.

(5) There are authorized to be appropriated to carry out part J of title IV, \$15,000,000 for fiscal year 1993 and such sums as may be necessary for each succeeding fiscal year.

(d) There are authorized to be appropriated \$618,000,000 for fiscal year 1983, and such sums as may be necessary for each succeeding fiscal year, to carry out part B of title IV of this Act.

(e) There are authorized to be appropriated for each of fiscal years 1990 through 1996 such sums as may be necessary to carry out title V.

(f) The authorizations of appropriations contained in this section are subject to the program year provisions of section 161.

(29 U.S.C. 1502) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1324; amended August 23, 1988, P.L. 100-418, sec. 6303, 102 Stat. 1538; amended Nov. 7, 1988, P.L. 100-628, sec. 714(d), 102 Stat. 3256; amended November 15, 1990, P.L. 101-549, sec. 1101(b)(2), 104 Stat. 2712; amended September 7, 1992, P.L. 102-367, sec. 102(a), 106 Stat. 1023.

#### DEFINITIONS

SEC. 4. For the purposes of this Act, the following definitions apply:

(1) The term "academic credit" means credit for education, training, or work experience applicable toward a secondary school diploma, a postsecondary degree, or an accredited certificate of completion, consistent with applicable State law and regulation and the requirements of an accredited educational agency or institution in a State.

(2) The term "administrative entity" means the entity designated to administer a job training plan under section 103(b)(1)(B).

(3) The term "area of substantial unemployment" means any area of sufficient size and scope to sustain programs under parts A and C of title II of this Act and which has an average rate of unemployment of at least 6.5 percent for the most recent twelve months as determined by the Secretary. Determinations of areas of substantial unemployment shall be made once each fiscal year.

(4) The term "chief elected official" includes—

(A) in the case of a State, the Governor;

(B) in the District of Columbia, the mayor; and

(C) in the case of a service delivery area designated under section 101(a)(4)(A)(iii), the governing body.

(5) The term "community-based organizations" means private nonprofit organizations which are representative of communities or significant segments of communities and which provide job training services (for example, Opportunities Industrialization Centers, the National Urban League, SER-Jobs for Progress, United Way of America, Mainstream, the National Puerto Rican Forum, National Council of La Raza, 70,001, Jobs for Youth, the Association of Farmworker Opportunity Programs, the Center for Employment Training, literacy organizations, agencies or organizations serving older individuals, organizations that provide service opportunities, youth corps programs, organizations operating career intern programs, neighborhood groups and organizations, community action agencies, community development corporations, vocational rehabilitation organizations, rehabilitation facilities (as defined in section 7(10) of the Rehabilitation Act of 1973), agencies serving youth, agencies serving individuals with disabilities, including disabled veterans, agencies serving displaced homemakers, union-related organizations, and employer-related nonprofit organizations), and organizations serving nonreservation Indians, as well as tribal governments and Native Alaskan groups.

(6) Except as otherwise provided therein, the term "council" means the private industry council established under section 102.

(7) The term "economic development agencies" includes local planning and zoning commissions or boards, community development agencies, and other local agencies and institutions responsible for regulating, promoting, or assisting in local economic development.

(8) The term "economically disadvantaged" means an individual who (A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program; (B) has, or is a member of a family which has, received a total family income for the six-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), or (ii) 70 percent of the lower living standard income level; (C) is receiving (or has been determined within the 6-month period prior to the application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977; (D) qualifies as a homeless individual under subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act; (E) is a foster child on behalf of whom State or local government payments are made; or (F) in cases permitted by regulations of the Secretary, is an individual with a disability whose own income meets the requirements of clause (A) or (B), but who is a member of a family whose income does not meet such requirements.

(9) The term "Governor" means the chief executive of any State.

(10)(A) The term "individual with a disability" means any individual who has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment.

(B)<sup>1</sup> The term "individuals with disabilities" means more than one individual with a disability.

(11) The term "Hawaiian native" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

(12) The term "institution of higher education" means any institution of higher education as that term is defined in section 1201(a) of the Higher Education Act of 1965.

(13) The term "labor market area" means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such areas shall be identified in accordance with cri-

teria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(14) The term "local educational agency" means such an agency as defined in section 521(22) of the Carl D. Perkins Vocational Education Act.

(15) The term "low-income level" means \$7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to \$7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest \$1,000.

(16) The term "lower living standard income level" means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary based on the most recent "lower living family budget" issued by the Secretary.

(17) The term "offender" means any adult or juvenile who is or has been subject to any stage of the criminal justice process for whom services under this Act may be beneficial or who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

(18) The term "postsecondary institution" means an institution of higher education as that term is defined in section 481(a)(1) of the Higher Education Act of 1965.

(19) The term "private sector" means, for purposes of the State job training councils and private industry councils, persons who are owners, chief executives or chief operating officers of private for-profit employers and major nongovernmental employers, such as health and educational institutions or other executives of such employers who have substantial management or policy responsibility.

(20) The term "public assistance" means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(21) The term "Secretary" means the Secretary of Labor.

(22) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

(23) The term "State educational agency" means such an agency as defined in section 1471(23) of the Elementary and Secondary Education Act of 1965.

(24) The term "supportive services" means services which are necessary to enable an individual eligible for training under this Act, but who cannot afford to pay for such services, to participate in a training program funded under this Act. Such supportive services may include transportation, health care, financial assistance (except as a post-termination service), drug and alcohol abuse counseling and referral, individual and family counseling, special services, and materials for individuals with disabilities, job coaches, child care and dependent care, meals, temporary shelter, financial counseling, and other reasonable expenses required for participation in the training

program and may be provided in-kind or through cash assistance.

(25) The term "unemployed individuals" means individuals who are without jobs and who want and are available for work. The determination of whether individuals are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

(26) The term "unit of general local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(27)(A) The term "veteran" means an individual who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

(B) The term "disabled veteran" means (i) a veteran who is entitled to compensation under laws administered by the Secretary of Veterans Affairs, or (ii) an individual who was discharged or released from active duty because of service-connected disability.

(C) The term "recently separated veteran" means any veteran who applies for participation under any title of this Act within 48 months of the discharge or release from active military, naval, or air service.

(D) The term "Vietnam era veteran" means a veteran any part of whose active military service occurred between August 5, 1964, and May 7, 1975.

(28) The term "vocational education" has the meaning provided in section 521(41) of the Carl D. Perkins Vocational Education Act.

(29) The term "displaced homemaker" means an individual who has been providing unpaid services to family members in the home and who—

(A) has been dependent either—

(i) on public assistance and whose youngest child is within 2 years of losing eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

(ii) on the income of another family member but is no longer supported by that income; and

(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(30) The term "nontraditional employment" as applied to women refers to occupations or fields of work where women comprise less than 25 percent of the individuals employed in such occupation or field of work.

(31) The term "basic skills deficient" means, with respect to an individual, that the individual has English reading or computing skills at or below the 8th grade level on a generally accepted standardized test or a comparable score on a criterion-referenced test.



(32) The term "case management" means the provision of a client-centered approach in the delivery of services, designed to—

(A) prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to the necessary training and supportive services, using, where feasible, computer-based technologies; and

(B) provide job and career counseling during program participation and after job placement.

(33) The term "citizenship skills" means skills and qualities, such as teamwork, problem-solving ability, self-esteem, initiative, leadership, commitment to life-long learning, and an ethic of civic responsibility, that are characteristic of productive workers and good citizens.

(34) The term "family" means two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

(A) A husband, wife, and dependent children.

(B) A parent or guardian and dependent children.

(C) A husband and wife.

(35) The term "hard-to-serve individual" means an individual who is included in one or more of the categories described in section 203(b) or subsection (b) or (d) of section 263.

(36) The term "JOBS" means the Job Opportunities and Basic Skills Training Program authorized under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.).

(37) The term "participant" means an individual who has been determined to be eligible to participate in and who is receiving services (except post-termination services authorized under sections 204(c)(4) and 264(d)(5) and followup services authorized under section 253(d)) under a program authorized by this Act. Participation shall be deemed to commence on the first day, following determination of eligibility, on which the participant began receiving subsidized employment, training, or other services provided under this Act.

(38) The term "school dropout" means an individual who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

(39) The term "termination" means the separation of a participant who is no longer receiving services (except post-termination services authorized under sections 204(c)(4) and 264(d)(5) and followup services authorized under section 253(d)) under a program authorized by this Act.

(40) The term "youth corps program" means a program, such as a conservation corps or youth service program, that offers productive work with visible community benefits in a natural resource or human service setting and that gives participants

a mix of work experience, basic and life skills, education, training, and supportive services.

(29 U.S.C. 1503) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1325; amended October 19, 1984, P.L. 98-524, sec. 4(a)(1), 98 Stat. 2487; amended Nov. 22, 1985, P.L. 99-159, 99 Stat. 907; amended October 16, 1986, P.L. 99-496, sec. 14(b)(1), 15(a)(1) and (2), 100 Stat. 1265; amended July 22, 1987, P.L. 100-77, sec. 740(a), 101 Stat. 531; amended Dec. 12, 1992, P.L. 102-235, sec. 3, 105 Stat. 1807; amended September 7, 1992, P.L. 102-367, secs. 103(a), (b)(1), and 702(a)(1)-(3), 106 Stat. 1024-1026, 1111.

## TITLE I—JOB TRAINING PARTNERSHIP

### PART A—SERVICE DELIVERY SYSTEM

#### ESTABLISHMENT OF SERVICE DELIVERY AREAS

SEC. 101. (a)(1) The Governor shall, after receiving the proposal of the State job training coordinating council, publish a proposed designation of service delivery areas for the State each of which—

(A) is comprised of the State or one or more units of general local government;

(B) will promote effective delivery of job training services; and

(C)(i) is consistent with labor market areas or standard metropolitan statistical areas, but this clause shall not be construed to require designation of an entire labor market area; or

(ii) is consistent with areas in which related services are provided under other State or Federal programs.

(2) The Council shall include in its proposal a written explanation of the reasons for designating each service delivery area.

(3) Units of general local government (and combinations thereof), business organizations, and other affected persons or organizations shall be given an opportunity to comment on the proposed designation of service delivery areas and to request revisions thereof.

(4)(A) The Governor shall approve any request to be a service delivery area from—

(i) any unit of general local government with a population of 200,000 or more;

(ii) any consortium of contiguous units of general local government with an aggregate population of 200,000 or more which serves a substantial part of one or more labor market areas; and

(iii) any concentrated employment program grantee for a rural area which served as a prime sponsor under the Comprehensive Employment and Training Act.

(B) The Governor may approve a request to be a service delivery area from any unit of general local government or consortium of contiguous units of general local government, without regard to population, which serves a substantial portion of a labor market area.

(C) If the Governor denies a request submitted under subparagraph (A) and the entity making such request alleges that the deci-

such entity may appeal the decision to the Secretary, who shall make a final decision within 30 days after such appeal is received.

(b) The Governor shall make a final designation of service delivery areas within the State. Before making a final designation of service delivery areas for the State, the Governor shall review the comments submitted under subsection (a)(3) and requests submitted under subsection (a)(4).

(c)(1) In accordance with subsection (a), the Governor may redesignate service delivery areas no more frequently than every two years, except as provided for in sections 106(j)(4)(B) and 164(b)(1)(B). Such redesignations shall be made not later than 4 months before the beginning of a program year.

(2) Subject to paragraph (1), the Governor shall make such a redesignation if a petition to do so is filed by an entity specified in subsection (a)(4)(A).

(3) The provisions of this subsection are subject to section 105(c).

(29 U.S.C. 1511) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1327; amended October 16, 1986, P.L. 99-496, sec. 2, 100 Stat. 1261; amended September 7, 1992, P.L. 102-367, sec. 111, 106 Stat. 1026.

#### ESTABLISHMENT OF PRIVATE INDUSTRY COUNCIL

SEC. 102. (a) There shall be a private industry council for every service delivery area established under section 101, to be selected in accordance with this subsection. Each council shall consist of—

(1) representatives of the private sector, who shall constitute a majority of the membership of the council and who shall be owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector executives who have substantial management or policy responsibility;

(2) representatives of organized labor and community-based organizations, who shall constitute not less than 15 percent of the membership of the council; and

(3) representatives of each of the following:

(A) Educational agencies (which agencies shall be representative of all educational agencies in the service delivery area).

(B) Vocational rehabilitation agencies.

(C) Public assistance agencies.

(D) Economic development agencies.

(E) The public employment service.

(b) The Chairman of the council shall be selected from among members of the council who are representatives of the private sector.

(c)(1)(A) Private sector representatives on the council shall be selected from among individuals nominated by general purpose business organizations after consulting with, and receiving recommendations from, other business organizations in the service delivery area. The number of such nominations shall be at least 150 percent of the number of individuals to be appointed under subsection (a)(1). Such nominations, and the individuals selected from such nominations, shall reasonably represent the industrial and demographic composition of the business community. Whenever pos-

sible, at least one-half of such business and industry representatives shall be representatives of small business, including minority business.

(B) For the purpose of this paragraph, the term—

(i) "general purpose business organizations" means organizations which admit to membership any for-profit business operating within the service delivery area; and

(ii) "small business" means private for-profit enterprises employing 500 or fewer employees.

(2) The education representatives on the council shall be selected from among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of higher education (including entities offering adult education) or general organizations of such institutions, within the service delivery area.

(3) The labor representatives on the council shall be selected from individuals recommended by recognized State and local labor federations. If the State or local labor federation fails to nominate a sufficient number of individuals to meet the labor representation requirements of subsection (a)(2), individual workers may be included on the council to complete the labor representation.

(4) The remaining members of the council shall be selected from individuals recommended by interested organizations.

(d)(1) In any case in which there is only one unit of general local government with experience in administering job training programs within the service delivery area, the chief elected official of that unit shall appoint members to the council from the individuals nominated or recommended under subsection (c).

(2) In any case in which there are two or more such units of general local government in the service delivery area, the chief elected officials of such units shall appoint members to the council from the individuals so nominated or recommended in accordance with an agreement entered into by such units of general local government. In the absence of such an agreement, the appointments shall be made by the Governor from the individuals so nominated or recommended.

(e) The initial number of members of the council shall be determined—

(1) by the chief elected official in the case described in subsection (d)(1),

(2) by the chief elected officials in accordance with the agreement in the case described in subsection (d)(2), or

(3) by the Governor in the absence of such agreement.

Thereafter, the number of members of the council shall be determined by the council.

(f) Members shall be appointed for fixed and staggered terms and may serve until their successors are appointed. Any vacancy in the membership of the council shall be filled in the same manner as the original appointment. Any member of the council may be removed for cause in accordance with procedures established by the council.

(g) The Governor shall certify a private industry council if the Governor determines that its composition and appointments are consistent with the provisions of this subsection. Such certification shall be made or denied within 30 days after the date on which a

list of members and necessary supporting documentation are submitted to the Governor. When the Governor certifies the council, it shall be convened within 30 days by the official or officials who made the appointments to such council under subsection (d).

(h) In any case in which the service delivery area is a State, the State job training coordinating council or a portion of such council may be reconstituted to meet the requirements of this section.

(29 U.S.C. 1512) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1328; amended September 7, 1992, P.L. 102-367, sec. 112, 106 Stat. 1026.

#### FUNCTIONS OF PRIVATE INDUSTRY COUNCIL

SEC. 103. (a) It shall be the responsibility of the private industry council to provide policy guidance for, and exercise oversight with respect to, activities under the job training plan for its service delivery area in partnership with the unit or units of general local government within its service delivery area.

(b)(1) The council, in accordance with an agreement or agreements with the appropriate chief elected official or officials specified in subsection (c), shall—

(A) determine procedures for the development of the job training plan, which may provide for the preparation of all or any part of the plan (i) by the council, (ii) by any unit of general local government in the service delivery area, or by an agency thereof, or (iii) by such other methods or institutions as may be provided in such agreement; and

(B) select as a grant recipient and entity to administer the job training plan (which may be separate entities), (i) the council, (ii) a unit of general local government in its service delivery area, or an agency thereof, (iii) a nonprofit private organization or corporation, or (iv) any other agreed upon entity or entities.

(2) The council is authorized to provide oversight of the programs conducted under the job training plan in accordance with procedures established by the council. In order to carry out this paragraph, the council shall have access to such information concerning the operations of such programs as is necessary.

(c) For purposes of subsection (b), the appropriate chief elected official or officials means—

(1) the chief elected official of the sole unit of general local government in the service delivery area,

(2) the individual or individuals selected by the chief elected officials of all units of general local government in such area as their authorized representative, or

(3) in the case of a service delivery area designated under section 101(a)(4)(A)(iii), the representative of the chief elected official for such area (as defined in section 4(4)(C)).

(d) No job training plan prepared under section 104 may be submitted to the Governor unless (1) the plan has been approved by the council and by the appropriate chief elected official or officials specified in subsection (c), and (2) the plan is submitted jointly by the council and such official or officials.

(e) In order to carry out its functions under this Act, the council—

(1) shall, in accordance with the job training plan, prepare and approve a budget for itself, and

(2) may hire staff, incorporate, and solicit and accept contributions and grant funds (from other public and private sources).

(f) As used in this section, the term "oversight" means reviewing, monitoring, and evaluating.

(29 U.S.C. 1513) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1330; amended December 31, 1982, P.L. 97-404, sec. 1(a), 96 Stat. 2026.

#### JOB TRAINING PLAN

SEC. 104. (a) No funds appropriated under title II for any fiscal year may be provided to any service delivery area under this Act except pursuant to a job training plan for two program years which is prepared in accordance with section 103 and which meets the requirements of this section.

(b) Each job training plan for the programs conducted under title II shall contain—

(1) an identification of the entity that will administer the program and be the grant recipient of funds from the State;

(2) if there is more than one service delivery area in a single labor market area, provisions for coordinating particular aspects of the service delivery area program with other programs and service providers in the labor market area, including provisions for—

(A) assessing needs and problems in the labor market that form the basis for program planning;

(B) ensuring access by program participants in each service delivery area to skills training and employment opportunities throughout the entire labor market;

(C) coordinating or jointly implementing job development, placement, and other employer outreach activities; and

(D) entering into agreements and contracts, established pursuant to section 141(e)(2), between service delivery areas to pay or share the cost of services;

(3) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan;

(4) a description of linkages established with appropriate agencies, pursuant to sections 205 and 265, designed to enhance the provision of services and avoid duplication, including—

(A) agreements with appropriate educational agencies;

(B) arrangements with other education, training, and employment programs authorized by Federal law;

(C) if appropriate, joint programs in which activities supported with assistance under this Act are coordinated with activities (such as service opportunities and youth corps programs) supported with assistance made available under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.); and

(D) efforts to ensure the effective delivery of services to participants in coordination with local welfare agencies

and other local agencies, community-based organizations, volunteer groups, business and labor organizations, and other training, education, employment, and social service programs;

(5) goals and objectives for the programs, including—

(A) a description of the manner in which the program will contribute to the economic self-sufficiency of participants, and the productivity of the local area and the Nation; and

(B) performance standards established in accordance with standards prescribed under section 106;

(6) procedures for identifying and selecting participants, including—

(A) goals for the training and placement of hard-to-serve individuals, and a description of efforts to be undertaken to accomplish such goals;

(B) outreach efforts to recruit and expand awareness of training and placement opportunities for such individuals; and

(C) types of services to be provided to address the special needs of such individuals;

(7)(A) goals for—

(i) the training of women in nontraditional employment; and

(ii) the training-related placement of women in nontraditional employment and apprenticeships; and

(B) a description of efforts to be undertaken to accomplish the goals described in subparagraph (A), including efforts to increase awareness of such training and placement opportunities;

(8) adult and youth program budgets for 2 program years and any proposed expenditures for the succeeding 2 program years;

(9) a description of—

(A) the assessment process that will identify participant skill levels;

(B) the process for providing information and referrals for applicants and participants relating to appropriate programs and service providers;

(C) the services to be provided, including the means for involving labor organizations and community-based organizations in the provision of services, the estimated duration of service, and the estimated training cost per participant;

(D) the competency levels to be achieved by participants as a result of program participation; and

(E) the procedures for evaluating the progress of participants in achieving competencies;

(10) a description of the procedures and methods of carrying out title V, where applicable, relating to incentive bonus payments for the placement of individuals eligible under such title;

(11) procedures, consistent with sections 107 and 164, for selecting service providers, which procedures shall take into account—

(A) past performance of the providers regarding—

(i) job training, basic skills training, or related activities;

(ii) fiscal accountability; and

(iii) ability to meet performance standards; and

(B) the ability of the providers to provide services that can lead to achievement of competency standards for participants with identified deficiencies;

(12) fiscal control (including procurement, monitoring, and management information system requirements), accounting, audit, and debt collection procedures, consistent with section 164, to assure the proper disbursal of, and accounting for, funds received under title II; and

(13) procedures for the preparation and submission of an annual report to the Governor, which report shall include—

(A) a description of activities conducted during the program year;

(B) characteristics of participants;

(C) information on the extent to which applicable performance standards were met;

(D) information on the extent to which the service delivery area has met the goals of the area for the training and training-related placement of women in nontraditional employment and apprenticeships; and

(E) a statistical breakdown of women trained and placed in nontraditional occupations, including information regarding—

(i) the type of training received, by occupation;

(ii) whether the participant was placed in a job or apprenticeship, and, if so, the occupation and wage at placement;

(iii) the age of the participant;

(iv) the race of the participant; and

(v) retention of the participant in nontraditional employment.

(c) If changes in labor market conditions, funding, or other factors require substantial deviation from an approved job training plan, the private industry council and the appropriate chief elected official or officials (as described in section 103(c)) shall submit a modification of such plan (including modification of the budget under subsection (b)(6)), which shall be subject to review in accordance with section 105.

(29 U.S.C. 1514) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1331; amended Nov. 7, 1988, P.L. 100-628, sec. 714(a), 102 Stat. 3255-3256; amended Dec. 12, 1991, P.L. 102-236, sec. 4, 105 Stat. 1807; amended September 7, 1992, P.L. 102-367, sec. 113, 106 Stat. 1027.

#### REVIEW AND APPROVAL OF PLAN

SEC. 105. (a)(1) Not less than 120 days before the beginning of the first of the two program years covered by the job training plan—

(A) the proposed plan or summary thereof shall be published; and

(B) such plan shall be made available for review and comment to—



(i) each house of the State legislature for appropriate referral;

(ii) appropriate community-based organizations and local educational and other public agencies in the service delivery area; and

(iii) labor organizations in the area which represent employees having the skills in which training is proposed; and

(C) such plan shall be reasonably available to the general public through such means as public hearings and local news facilities.

(2) The final plan, or a summary thereof, shall be published not later than 80 days before the first of the two program years and shall be submitted to the Governor in accordance with section 103(d)(2). Any modification shall be published not later than 80 days before it is effective and shall be submitted to the Governor in accordance with such section.

(b)(1) The Governor shall approve the job training plan or modification thereof unless he finds that—

(A) corrective measures for deficiencies found in audits or in meeting performance standards from previous years have not been taken or are not acceptably underway;

(B) the entity proposed to administer the program does not have the capacity to administer the funds;

(C) there are inadequate safeguards for the protection of funds received;

(D) the plan (or modification) does not comply with a particular provision or provisions of this Act or of regulations of the Secretary under this Act; or

(E) the plan (or modification) does not comply with the criteria under sections 121(b), 205, and 265 for coordinating activities under this Act with related program activities.

(2) The Governor shall approve or disapprove a job training plan (or modification) within 30 days after the date that the plan (or modification) is submitted, except that if a petition is filed under paragraph (3) such period shall be extended to 45 days. Any disapproval by the Governor may be appealed to the Secretary, who shall make a final decision of whether the Governor's disapproval complies with paragraph (1) of this subsection within 45 days after receipt of the appeal.

(3)(A) Interested parties may petition the Governor within 15 days of the date of submission for disapproval of the plan or modification thereof if—

(i) the party can demonstrate that it represents a substantial client interest,

(ii) the party took appropriate steps to present its views and seek resolution of disputed issues prior to submission of the plan to the Governor, and

(iii) the request for disapproval is based on a violation of statutory requirements.

(B) If the Governor approves the plan (or modification), the Governor shall notify the petitioner in writing of such decision and the reasons therefor.

(c)(1) If a private industry council and the appropriate chief elected official or officials fail to reach the agreement required under section 103 (b) or (d) and, as a consequence, funds for a service delivery area may not be made available under section 104, then the Governor shall redesignate, without regard to sections 101 (a)(4) and (c)(1), the service delivery areas in the State to merge the affected area into one or more other service delivery areas, in order to promote the reaching of agreement.

(2) In any State in which service delivery areas are redesignated under paragraph (1), private industry councils shall, to the extent necessary for the redesignation, be reconstituted and job training plans modified as required to comply with sections 102 and 103. Services under an approved plan shall not be suspended while the council is reconstituted and the plan is modified.

(d) In any case in which the service delivery area is a State, the plan (or modification) shall be submitted to the Secretary for approval. For the purpose of this subsection, the Secretary shall have the same authority as the Governor has under this section.

(29 U.S.C. 1515) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1332; amended September 7, 1992, P.L. 102-367, sec. 114, Stat. 1030.

#### PERFORMANCE STANDARDS

SEC. 106. (a) FINDINGS.—The Congress recognizes that job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that—

(1) it is essential that criteria for measuring the return on this investment be developed; and

(2) the basic return on the investment is to be measured by long-term economic self-sufficiency, increased employment and earnings, reductions in welfare dependency, and increased educational attainment and occupational skills.

(b) TITLE II PERFORMANCE STANDARDS.—

(1) GENERAL OBJECTIVE.—In prescribing performance standards for programs under parts A and C of title II, the Secretary shall ensure that States and service delivery areas will make efforts to increase services and positive outcomes for hard-to-serve individuals.

(2) ACHIEVEMENT OF BASIC MEASURES.—In order to determine whether the basic measures described in subsection (a) are achieved for programs under parts A and C of title II, the Secretary, in consultation with the Secretary of Education and the Secretary of Health and Human Services, shall prescribe performance standards.

(3) FACTORS FOR ADULT STANDARDS.—The Secretary shall base the performance standards for adult programs under part A of title II on appropriate factors, which may include—

(A) placement in unsubsidized employment;

(B) retention for not less than 6 months in unsubsidized employment;

(C) an increase in earnings, including hourly wages;

(D) a reduction in welfare dependency; and

(E) acquisition of skills, including basic skills, required to promote continued employability in the local labor mar-

ket (including attainment of the competency levels described in paragraph (5)), or acquisition of a high school diploma or the equivalent of the diploma, if the acquisition of such skills or diploma is in addition to obtaining one or more of the outcomes described in subparagraphs (A) through (D).

(4) FACTORS FOR YOUTH STANDARDS.—

(A) IN GENERAL.—The Secretary shall base the performance standards for youth programs under part C of title II on appropriate factors described in paragraph (3), and on factors including—

(i) attainment of employment competencies (including attainment of the competency levels described in paragraph (5));

(ii) dropout prevention and recovery;

(iii) secondary and postsecondary school completion or the equivalent of such completion; and

(iv) enrollment in other training programs, apprenticeships, or postsecondary education, or enlistment in the Armed Forces.

(B) VARIATIONS.—The Secretary may prescribe variations in the standards described in subparagraph (A) to reflect the differences between in-school and out-of-school programs.

(5) COMPETENCY LEVELS.—The private industry councils, in consultation with appropriate educational agencies, and, where appropriate, the private sector, labor organizations, and community-based organizations, shall establish youth and adult competency levels, based on such factors as entry level skills and other hiring requirements.

(6) REQUIREMENTS.—The performance standards described in paragraphs (3) and (4) shall include provisions governing—

(A) the base period prior to program participation that will be used for measurement of the factors in such paragraphs, as appropriate;

(B) a representative period after termination from the program that is a reasonable indicator of postprogram employment, earnings, and cash welfare payment reductions; and

(C) cost-effective methods for obtaining such data as are necessary to carry out this section and section 452(d) which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, records collected under the Federal Insurance Contributions Act (chapter 21 of the Internal Revenue Code of 1986), State aid to families with dependent children records, statistical sampling techniques, and similar records or measures, with appropriate safeguards to protect the confidentiality of the information obtained.

(7) INCENTIVE GRANTS.—From funds available under section 202(c)(1)(B), and under section 262(c)(1)(B), for providing incentive grants under this paragraph, each Governor shall award incentive grants for programs under parts A and C of

title II, other than programs under section 204(d), to service delivery areas that—

(A) exceed the performance standards established by the Secretary under this subsection (except for the standards established under paragraph (8)) with respect to services to all participants;

(B) exceed the performance standards established by the Secretary under this subsection (except for the standards established under paragraph (8)) with respect to services to populations of hard-to-serve individuals;

(C) serve more than the minimum percentage of out-of-school youth required by section 263(f);

(D) place participants in employment that—

(i) provides post-program earnings exceeding the applicable performance criteria; and

(ii) includes employer-assisted employment benefits, including health benefits, consistent with the requirements of section 143(a)(4) relating to subsidized employment; and

(E) exceed the performance standards established by the Governor under subsection (e) for programs under title II, except that not more than 25 percent of the incentive grants shall be awarded on performance standards established under subsection (e).

(8) PROGRAM EXPENDITURES.—The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures under this subsection, excluding any cost per participant measure. The Governors shall not take performance standards prescribed under this paragraph into consideration in awarding incentive grants under paragraph (7).

(c) TITLE III PERFORMANCE STANDARDS.—

(1) IN GENERAL.—The Secretary shall prescribe performance standards for programs under title III based on placement and retention in unsubsidized employment.

(2) NEEDS-RELATED PAYMENTS.—In prescribing performance standards under paragraph (1), the Secretary shall make appropriate allowance for the difference in cost resulting from serving workers receiving needs-related payments under section 314(e).

(d) STATE VARIATION OF PERFORMANCE STANDARDS.—

(1) AUTHORITY OF GOVERNOR.—Each Governor shall prescribe, and report in the Governor's coordination and special services plan, within parameters established by the Secretary, variations in the standards issued under subsections (b) and (c) based upon—

(A) specific economic, geographic, and demographic factors in the State and in service delivery areas and substate areas within the State;

(B) the characteristics of the population to be served;

(C) the demonstrated difficulties in serving the population; and

(D) the type of services to be provided.

(2) RESPONSIBILITIES OF SECRETARY.—The Secretary shall—

(A) provide information and technical assistance on performance standards adjustments;

(B) collect data that identifies hard-to-serve individuals;

(C) provide guidance on setting performance standards at the service provider level that encourages increased service to such individuals; and

(D) review performance standards to ensure that such standards provide maximum incentive in serving such individuals.

(e) **ADDITIONAL STATE STANDARDS PERMITTED.**—The Governor may prescribe performance standards for programs under title II and title III in addition to those standards established by the Secretary under subsections (b) and (c). Such additional standards may include criteria relating to establishment of effective linkages with other programs to avoid duplication and enhance the delivery of services, the provision of high quality services, and successful service to hard-to-serve individuals. The additional performance standards established for title II shall be reported in the Governor's coordination and special services plan.

(f) **TITLE IV STANDARDS.**—The Secretary shall prescribe performance standards for programs under parts A and B of title IV.

(g) **ADJUSTMENT FOR SPECIAL POPULATIONS.**—The Secretary shall prescribe a system for variations in performance standards for special populations to be served, including Native Americans, migrant and seasonal farmworkers, disabled and Vietnam era veterans, including veterans who served in the Indochina Theater between August 5, 1964 and May 7, 1975, older individuals, including those served under section 204(d), and offenders, taking into account their special circumstances.

(h) **MODIFICATIONS.**—

(1) **IN GENERAL.**—The Secretary may modify the performance standards under this section not more often than once every 2 program years. Such modifications shall not be retroactive.

(2) **JOB CORPS.**—Notwithstanding paragraph (1), the Secretary may modify standards relating to programs under part B of title IV each program year.

(i) **FUNCTIONS OF NCEP.**—The National Commission for Employment Policy shall—

(1) advise the Secretary in the development of performance standards under this section for measuring results of participation in job training and in the development of parameters for variations of such standards referred to in subsection (d);

(2) evaluate the usefulness of such standards as measures of desired performance; and

(3) evaluate the impact of such standards (intended or otherwise) on the choice of who is served, what services are provided, and the cost of such services in service delivery areas.

(j) **FAILURE TO MEET STANDARDS.**—

(1) **UNIFORM CRITERIA.**—The Secretary shall establish uniform criteria for determining whether—

(A) a service delivery area fails to meet performance standards under this section; and

(B) the circumstances under which remedial action authorized under this subsection shall be taken.

(2) **TECHNICAL ASSISTANCE.**—Each Governor shall provide technical assistance to service delivery areas failing to meet performance standards under the uniform criteria established under paragraph (1)(A).

(3) **PROCESS FOR CORRECTION.**—Not later than 90 days after the end of each program year, each Governor shall report to the Secretary the final performance standards and performance for each service delivery area within the State, along with the plans of the Governor for providing the technical assistance required under paragraph (2).

(4) **REORGANIZATION PLAN.**—

(A) **PLAN REQUIRED FOR CONTINUED FAILURE.**—If a service delivery area continues to fail to meet such performance standards for 2 consecutive program years, the Governor shall notify the Secretary and the service delivery area of the continued failure, and shall develop and impose a reorganization plan.

(B) **ELEMENTS.**—Such plan may restructure the private industry council, prohibit the use of designated service providers, merge the service delivery area into one or more other existing service delivery areas, or make other changes as the Governor determines to be necessary to improve performance, including the selection of an alternative administrative entity to administer the program for the service delivery area.

(C) **ALTERNATIVE ADMINISTRATIVE ENTITY SELECTION.**—The alternative administrative entity described in subparagraph (B) may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area or substate area.

(5) **SECRETARIAL ACTION.**—

(A) **PLAN.**—If the Governor has not imposed a reorganization plan as required by paragraph (4) within 90 days of the end of the second program year in which a service delivery area has failed to meet its performance standards, the Secretary shall develop and impose such a plan.

(B) **RECAPTURE OR WITHHOLDING.**—The Secretary shall recapture or withhold an amount not to exceed one-fifth of the State administration set-aside allocated under section 202(c)(1)(A) and under section 262(c)(1)(A), for the purposes of providing technical assistance under a reorganization plan imposed pursuant to subparagraph (A).

(6) **APPEAL BY SERVICE DELIVERY AREA.**—

(A) **TIMING.**—A service delivery area that is the subject of a reorganization plan under paragraph (4) may, within 30 days after receiving notice thereof, appeal to the Secretary to rescind or revise such plan.

(B) **RECAPTURE OR WITHHOLDING.**—

(i) **DETERMINATION.**—If the Secretary determines, upon appeal under subparagraph (A), that the Governor has not provided appropriate technical assistance as required under paragraph (2), the Secretary shall recapture or withhold an amount not to exceed

one-fifth of the State administration set-aside allotted under section 202(c)(1)(A) and under section 262(c)(1)(A). The Secretary shall use funds recaptured or withheld under this subparagraph to provide appropriate technical assistance.

(ii) BASIS.—If the Secretary approved the technical assistance plan provided by the Governor under paragraph (2), a determination under this subparagraph shall only be based on failure to effectively implement such plan and shall not be based on the plan itself.

(7) APPEAL BY GOVERNOR.—A Governor of a State that is subject to recapture or withholding under paragraph (5) or (6)(B) may, within 30 days of receiving notice thereof, appeal such withholding to the Secretary.

(k) CLARIFICATION OR REFERENCE.—For the purposes of this section, the term "employment" means employment for 20 or more hours per week.

(29 U.S.C. 1516) Enacted September 7, 1992, P.L. 102-367, sec. 115(a), 106 Stat. 1030.

#### SELECTION OF SERVICE PROVIDERS

SEC. 107. (a) The primary consideration in selecting agencies or organizations to deliver services within a service delivery area shall be the effectiveness of the agency or organization in delivering comparable or related services based on demonstrated performance, (in accordance with guidelines established by the Secretary), in terms of the likelihood of meeting performance goals, cost, quality of training, and characteristics of participants. In addition, consideration shall be given to demonstrated performance in making available appropriate supportive services, including child care. In complying with this subsection, proper consideration shall be given to community-based organizations as service providers.

(b) Funds provided under this Act shall not be used to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless it is demonstrated that alternative services or facilities would be more effective or more likely to achieve the service delivery area's performance goals.

(c) Appropriate education agencies in the service delivery area shall be provided the opportunity to provide educational services, unless the administrative entity demonstrates that alternative agencies or organizations would be more effective or would have greater potential to enhance the participants' continued occupational and career growth.

(d) The administrative entity shall not fund any occupational skills training program unless the level of skills provided in the program are in accordance with guidelines established by the private industry council.

(e) The selection of service providers shall be made on a competitive basis to the extent practicable, and shall include—

(1) a determination of the ability of the service provider to meet program design specifications established by the administrative entity that take into account the purposes of the Act

and the goals established in the Governor's coordination and special services plan; and

(2) documentation of compliance with procurement standards established by the Governor under section 164, including the reasons for selection.

(29 U.S.C. 1517) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1335, amended September 7, 1992, P.L. 102-367, sec. 116, 106 Stat. 1034.

#### LIMITATION ON CERTAIN COSTS

SEC. 108. (a) Except as provided in subparagraph (A) or (B) of section 141(d)(3), funds expended under this Act shall be charged to the appropriate cost categories.

(b)(1) The cost limitations contained in this subsection shall apply separately to the funds allocated for programs under part A of title II, and to the funds allocated for programs under part C of such title.

(2) Funds expended under parts A and C of title II shall be charged to one of the following categories:

(A) Administration.

(B) Training-related and supportive services.

(C) Direct training services.

(3) The Secretary shall, consistent with sections 204(b) and 264(c), define by regulation the cost categories specified in paragraph (2).

(4) Of the funds allocated to a service delivery area for any program year under parts A or C of title II—

(A) not more than 20 percent shall be expended for administration; and

(B) not less than 50 percent shall be expended for direct training services.

(5) Each service delivery area shall ensure that for all services provided to participants through contracts, grants, or other agreements with a service provider, such contract, grant, or agreement shall include appropriate amounts necessary for administration and supportive services.

(6) For purposes of paragraph (4), the term "allocated" means allocated for a program year, as adjusted for reallocations and reallocations under section 109 and for transfers of funds under sections 206, 256, and 266.

(c) Funds available under title III shall be expended in accordance with the limitations specified in section 315.

(d) The provisions of this section do not apply to any service delivery area designated pursuant to section 101(a)(4)(A)(iii).

(e) This section shall not be construed to exempt programs under an approved plan from the performance standards established under section 106.

(29 U.S.C. 1518) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1336; amended December 31, 1982, P.L. 97-404, sec. 1(c), 96 Stat. 2026; amended October 16, 1986, P.L. 99-496, 15(c), 100 Stat. 1266; amended September 7, 1992, P.L. 102-367, sec. 117, 106 Stat. 1035.

#### RECAPTURE AND REALLOTMENT OF UNOBLIGATED FUNDS

#### SEC. 109. (a) WITHIN STATE REALLOCATIONS.—



(1) **IN GENERAL.**—For program years beginning on or after July 1, 1993, the Governor shall, in accordance with the requirements of this subsection, reallocate to eligible service delivery areas within the State funds appropriated for such program year that are available for reallocation.

(2) **AMOUNT.**—The amount available for reallocation is equal to the amount by which the unobligated balance of the service delivery area allocation under part A or C of title II for all service delivery areas within the State at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 15 percent of such allocation for the prior program year.

(3) **REALLOCATION.**—The Governor shall reallocate the amounts available pursuant to paragraph (2) to eligible service delivery areas within the State that have the highest rates of unemployment for an extended period of time and to those with the highest poverty rates.

(4) **ELIGIBILITY.**—For purposes of this subsection, an eligible service delivery area means a service delivery area that has obligated at least 85 percent of its allocation under part A or C of title II, respectively, for the program year prior to the program year for which the determination under this subsection is made.

**(b) REALLOTMENT AMONG STATES.—**

(1) **IN GENERAL.**—For program years beginning on or after July 1, 1993, the Secretary shall, in accordance with the requirements of this subsection, reallocate to eligible States funds appropriated for such program year that are available for reallocation.

(2) **AMOUNT.**—The amount available for reallocation is equal to the amount by which the unobligated balance of the State allotment under part A or C of title II, respectively, for all States at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 15 percent of such allotment for that prior program year.

(3) **REALLOTMENT.**—The Secretary shall reallocate the amounts available pursuant to paragraph (2) to each eligible State an amount based on the relative amount allotted to such eligible State under part A or C of title II, respectively, for the program year the determination under this subsection is made compared to the total amount allotted to all eligible States under part A or C of title II, respectively, for such program year.

(4) **ELIGIBILITY.**—For purposes of this subsection, an eligible State means a State that has obligated at least 85 percent of its allocation under part A or C of title II, respectively, for the program year prior to the program year for which the determination under this subsection is made.

(5) **PROCEDURES.**—The Governor of each State shall prescribe uniform procedures for the obligation of funds by service delivery areas within the State in order to avoid the requirement that funds be made available for reallocation under this subsection. The Governor shall further prescribe equitable proce-

dures for making funds available from the State and service delivery areas in the event that a State is required to make funds available for reallocation under this subsection.

(d)<sup>1</sup> CALCULATION.—Funds obligated to carry out programs under section 204(d) shall not be counted in determining the amount available for reallocation under subsection (a)(2) or the amount available for reallocation under subsection (b)(2).

(29 U.S.C. 1519) Enacted September 7, 1992, P.L. 102-367, sec. 118, 106 Stat. 1036.

## PART B—ADDITIONAL STATE RESPONSIBILITIES

### GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN

SEC. 121. (a)(1) The Governor shall annually prepare a statement of goals and objectives for job training and placement programs within the State to assist in the preparation of the plans required under section 104 of this Act and section 8 of the Act of June 6, 1933 (known as the Wagner-Peyser Act).

(2) Any State seeking financial assistance under this Act shall submit a Governor's coordination and special services plan for two program years to the Secretary describing the use of all resources provided to the State and its service delivery areas under this Act and evaluating the experience over the preceding two years.

(b)(1) The plan shall establish criteria for coordinating activities under this Act (including title III) with programs and services provided by State and local education and training agencies (including vocational education agencies), public assistance agencies, the employment service, rehabilitation agencies, postsecondary institutions, economic development agencies, programs for the homeless and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State. Such criteria shall not affect local discretion concerning the selection of eligible participants or service providers in accordance with the provisions of sections 107 203, or 263<sup>2</sup>.

(2) The plan shall describe the measures taken by the State to ensure coordination and avoid duplication between the State agencies administering the JOBS program and programs under title II in the planning and delivery of services. The plan shall describe the procedures developed by the State to ensure that the State JOBS plan is consistent with the coordination criteria specified in this plan and identify the procedures developed to provide for the review of the JOBS plan by the State Job Training Coordinating Council.

(3) The plan shall describe the projected use of resources, including oversight of program performance, program administration, and program financial management, capacity building, priorities and criteria for State incentive grants, and performance goals for State-supported programs. The description of capacity building shall include the Governor's plans for technical assistance to service delivery areas and service providers, interstate technical assist-

<sup>1</sup> So in law. This subsection probably should be redesignated as (c)

<sup>2</sup> Section 702(a)(4) of P.L. 102-367, amended this paragraph by striking "and 203" and inserting "203, or 263". The insertion probably should have been "203, or 263"

ance and training arrangements, other coordinated technical assistance arrangements undertaken pursuant to the direction of the Secretary, and, where applicable, research and demonstration projects.

(4)<sup>1</sup> The plan shall include goals for—

(A) the training of women in nontraditional employment through funds available under the Job Training Partnership Act, the Carl D. Perkins Vocational and Applied Technology Education Act, and other sources of Federal and State support;

(B) the training-related placement of women in nontraditional employment and apprenticeships;

(C) a description of efforts to be undertaken to accomplish such goals, including efforts to increase awareness of such training and placement opportunities; and

(D) a description of efforts to coordinate activities provided pursuant to the Job Training Partnership Act and the Carl D. Perkins Vocational and Applied Technology Education Act to train and place women in nontraditional employment.

(5) The State plan shall include a description of the manner in which the State will encourage the successful carrying out of—

(A) training activities for eligible individuals whose placement is the basis for the payment to the State of the incentive bonus authorized by title V; and

(B) the training services, outreach activities, and preemployment supportive services furnished to such individuals.

(6) The Governor shall report to the Secretary the adjustments made in the performance standards and the factors that are used in making the adjustments.

(7) If major changes occur in labor market conditions, funding, or other factors during the two-year period covered by the plan, the State shall submit a modification to the Secretary describing these changes.

(c) Governor's coordination and special services activities may include—

(1) making available to service delivery areas, with or without reimbursement and upon request, appropriate information and technical assistance to assist in developing and implementing plans and programs;

(2) carrying out special model training and employment programs and related services (including programs receiving financial assistance from private sources);

(3) providing programs and related services for offenders, homeless individuals and other individuals whom the Governor determines require special assistance;

(4) providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

(5) providing training opportunities in the conservation and efficient use of energy, and the development of solar en-

<sup>1</sup> Indentation so in law.

ergy sources as defined in section 3 of the Solar Energy Research, Development and Demonstration Act of 1974;

(6) industry-wide training;

(7) coordination of activities relating to part A of title II with activities under title III of this Act;

(8) developing and providing to service delivery areas information on a State and local area basis regarding economic, industrial, and labor market conditions;

(9) providing programs and related services to encourage the recruitment of women for training, placement, and retention in nontraditional employment;

(10) providing preservice and inservice training for planning, management, and delivery staffs of administrative entities and private industry councils, as well as contractors for State supported programs;

(11) providing statewide programs which provide for joint funding of activities under this Act with services and activities under other Federal, State, or local employment-related programs, including programs of the Department of Veterans Affairs; and

(12) making available to service delivery areas appropriate information and technical assistance to assist in developing and implementing joint programs, including youth corps programs, in which activities supported under this Act are coordinated with activities supported under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).

(d) A Governor's coordination and special services plan shall be approved by the Secretary unless the Secretary determines that the plan does not comply with specific provisions of this Act.

(29 U.S.C. 1531) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1337; amended October 16, 1986, P.L. 99-496, sec. 15(d), 100 Stat. 1266; amended October 27, 1986, P.L. 99-570, sec. 11004(a), 100 Stat. 3207-169; amended Nov. 7, 1988, P.L. 100-628, sec. 714(c), 102 Stat. 3256; amended June 13, 1991, P.L. 102-54, sec. 13(k)(2)(B), 105 Stat. 276; amended Dec. 12, 1991, P.L. 102-235, sec. 5, 105 Stat. 1807; amended September 7, 1992, P.L. 102-367, secs. 121, 702(a)(4), 106 Stat. 1037, 1112.

#### STATE JOB TRAINING COORDINATING COUNCIL

SEC. 122. (a)(1) Except as provided in subsection (d), any State which desires to receive financial assistance under this Act shall establish a State job training coordinating council (hereinafter in this section referred to as the "State council"). Funding for the council shall be provided pursuant to sections 202(c)(1)(A) and 262(c)(1)(A).

(2) The State council shall be appointed by the Governor, who shall designate one nongovernmental member thereof to be chairperson. In making appointments to the State council, the Governor shall ensure that the membership of the State council reasonably represents the population of the State.

(3) The State job training coordinating council shall be composed as follows:

(A) Thirty percent of the membership of the State council shall be representatives of business and industry (including agriculture, where appropriate) including individuals who are

representatives of business and industry on private industry councils within the State.

(B) Thirty percent of the membership of the State council shall be—

(i) representatives of the State legislature and State agencies and organizations, such as the State educational agency, the State vocational education board, the State advisory council on vocational education, the State board of education (when not otherwise represented), State public assistance agencies, the State employment security agency, the State rehabilitation agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic development agency, State veterans' affairs agencies or equivalent, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State; and

(ii) representatives of the units or consortia of general local government in the State who shall be nominated by the chief elected officials of the units or consortia of units of general local government, and the representatives of local educational agencies who shall be nominated by local educational agencies.

(C) Thirty percent of the membership of the State council shall be representatives of organized labor and representatives of community-based organizations in the State.

(D) Ten percent of the membership of the State council shall be appointed from the general public by the Governor of the State.

(4) The State council shall meet at such times and in such places as it deems necessary. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

(5) The State council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions under this Act.

(6) In order to assure objective management and oversight, the State council shall not operate programs or provide services directly to eligible participants, but shall exist solely to plan, coordinate, and monitor the provision of such programs and services.

(7) The plans and decisions of the State council shall be subject to approval by the Governor.

(b) The State council shall—

(1) recommend a Governor's coordination and special services plan;

(2) recommend to the Governor substate service delivery areas, plan resource allocations not subject to section 202(b) or 262(b), provide management guidance and review for all programs in the State, develop appropriate linkages with other programs, coordinate activities with private industry councils, and develop the Governor's coordination and special services plan and recommend variations in performance standards;

(3) advise the Governor and local entities on job training and certify the consistency of such plans with criteria

under the Governor's coordination and special services plan for coordination of activities under this Act with other Federal, State, and local employment-related programs, including programs operated in designated enterprise zones;

(4) review the operation of programs conducted in each service delivery area, and the availability, responsiveness, and adequacy of State services, and make recommendations to the Governor, appropriate chief elected officials, and private industry councils, service providers, the State legislature, and the general public with respect to ways to improve the effectiveness of such programs or services;

(5) review the reports made pursuant to subparagraphs (D) and (E) of section 104(b)(12) and make recommendations for technical assistance and corrective action, based on the results of such reports;

(6) prepare a summary of the reports made pursuant to subparagraphs (D) and (E) of section 104(b)(12) detailing promising service delivery approaches developed in each service delivery area for the training and placement of women in nontraditional occupations, and disseminate annually such summary to service delivery areas, service providers throughout the State, and the Secretary;

(7) review the activities of the Governor to train, place, and retain women in nontraditional employment, including activities under section 123, prepare a summary of activities and an analysis of results, and disseminate annually such summary to service delivery areas, service providers throughout the State, and the Secretary;

(8) consult with the sex equity coordinator established under section 111(b) of the Carl D. Perkins Vocational and Applied Technology Education Act, obtain from the sex equity coordinator a summary of activities and an analysis of results in training women in nontraditional employment under the Carl D. Perkins Vocational and Applied Technology Education Act, and disseminate annually such summary to service delivery areas, service providers throughout the State, and the Secretary;

(9) review and comment on the State plan developed for the State employment service agency;

(10) make an annual report to the Governor which shall be a public document, and issue such other studies, reports, or documents as it deems advisable to assist service delivery areas in carrying out the purposes of this Act;

(11)(A) identify, in coordination with the appropriate State agencies, the employment and training and vocational education needs throughout the State, and assess the extent to which employment and training, vocational education, rehabilitation services, public assistance, economic development, and other Federal, State, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs; and

(B) comment at least once annually on the measures taken pursuant to section 113(b)(14) of the Carl D. Perkins Vocational Education Act; and

(12) review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the State legislature, the State agencies, and the appropriate Federal agencies on the relevancy and effectiveness of employment and training and related service delivery systems in the State.

(c) In addition to the functions described in subsection (b), the Governor may, to the extent permitted by applicable law, transfer functions which are related to functions under this Act to the council established under this section from any State coordinating committee for the work incentive program under title IV of the Social Security Act or any advisory council established under the Wagner-Peyser Act.

(d)(1) In lieu of establishing the State council required under subsection (a), each State may satisfy the requirements of this section by designating the State human resource investment council established in accordance with title VII (in this subsection referred to as the "State Council") to carry out the duties described in subsection (b).

(2) Funding provided to carry out this section may be allotted to the State Council to carry out such functions and the other functions of the State Council if the Governor and the head of the State agency responsible for administration of programs under this Act agree to such an allotment.

(29 U.S.C. 1532) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1339; amended December 31, 1982, P.L. 97-404, sec. 1(d), 96 Stat. 2026, amended October 19, 1984, P.L. 98-524, sec. 4(a)(2), 98 Stat. 2487, amended August 23, 1988, P.L. 100-418, sec. 6304(b), 102 Stat. 1538; amended Dec. 12, 1991, P.L. 102-235, sec. 6, 105 Stat. 1808; amended September 7, 1992, P.L. 102-367, secs. 601(b)(3), 702(a)(5) 106 Stat. 1103, 1112.

#### STATE EDUCATION COORDINATION AND GRANTS

##### SEC. 123. (a) ALLOTMENT.—

(1) IN GENERAL.—The Secretary shall allot to the Governor for allocation to any State education agency the sums made available to carry out this section under sections 202(c)(1)(C) and 262(c)(1)(C) to pay for the Federal share of carrying out the projects described in paragraph (2). In allocating such funds to the State education agency, the Governor shall not establish requirements governing the geographic distribution of funds under this section.

(2) PROJECTS.—Funds allocated under paragraph (1) may be used to pay for the Federal share of carrying out projects (in accordance with agreements under subsection (b)) that—

(A) provide school-to-work transition services of demonstrated effectiveness that increase the rate of graduation from high school, or completion of the recognized equivalent thereof, including services that increase the rate at which school dropouts return to regular or alternative schooling and obtain a high school degree or its equivalent, and, which may include, services to support multiyear dropout prevention programs of demonstrated effectiveness;

(B) provide literacy and lifelong learning opportunities and services of demonstrated effectiveness that—

(i) enhance the knowledge and skills of educationally and economically disadvantaged individuals; and

(ii) result in increasing the employment and earnings of such individuals;

(C) provide statewide coordinated approaches, including model programs, to train, place, and retain women in non-traditional employment; and

(D)(i) facilitate coordination of education and training services for eligible participants in projects described in subparagraphs (A), (B), and (C); or

(ii)(I) support activities pertaining to a State human resources investment council that meets the requirements of title VII and includes each of the programs described in clauses (i) through (vii) of section 701(b)(2)(A); or

(II) support activities pertaining to a State council, which carries out functions similar to the functions of the State human resource investment council described in title VII, if such State council was established prior to July 1, 1992.

(3) **FEDERAL SHARE.**—The Federal share of the cost of carrying out the projects described in paragraph (2) shall be 50 percent.

**(b) AGREEMENTS REQUIRED.**—

(1) **PARTIES TO AGREEMENTS.**—The projects described in subsection (a)(2) shall be conducted within a State in accordance with agreements that—

(A) reflect the goals and services described in paragraphs (1), (2), and (3) of subsection (c); and

(B) are developed between the State education agency, administrative entities in service delivery areas in the State, and other entities, such as other State agencies, local educational agencies, and alternative service providers (such as community-based and other nonprofit or for-profit organizations).

**(2) CONTENTS OF AGREEMENTS.**—

(A) **CONTRIBUTION.**—The agreements described in paragraph (1) shall provide for the contribution by the State, from funds other than the funds made available under this Act, of a total amount equal to the funds allotted under this section.

(B) **DIRECT COST OF SERVICES.**—Such amount may include the direct cost of employment or training services—

(i) provided by State or local programs or agencies;

or

(ii) provided by other Federal programs or agencies in accordance with applicable Federal law.

(c) **GOVERNOR'S PLAN REQUIREMENTS.**—The State education agency shall submit for inclusion in the Governor's coordination and special services plan a description developed jointly by the State education agency and the Governor of—

(1) the goals to be achieved and services to be provided by the school-to-work transition programs specified in subsection



(a)(2)(A) that will receive the assistance, which description shall, at a minimum, include information regarding—

(A) the activities and services that will result in increasing the number of youth staying in or returning to school and graduating from high school or the equivalent;

(B) the work-based curriculum that will link classroom learning to work site experience and address the practical and theoretical aspects of work;

(C) the opportunities that will be made available to participants to obtain career-path employment and post-secondary education;

(D) the integration to be achieved, in appropriate circumstances, in the delivery of services between State and local educational agencies and alternative service providers, such as community-based and nonprofit organizations; and

(E) the linkages that will be established, where feasible, to avoid duplication and enhance the delivery of services, with programs under—

(i) title II and part B of title IV;

(ii) the Elementary and Secondary Education Act (20 U.S.C. 2701 et seq.);

(iii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(iv) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

(v) the Adult Education Act (20 U.S.C. 1201 et seq.);

(vi) the JOBS program;

(vii) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482); and

(viii) the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

(2) the goals to be achieved and services to be provided by literacy and lifelong learning programs specified in subsection

(a)(2)(B) that will receive the assistance, which description shall, at a minimum, include information regarding—

(A) the activities and services that will increase the knowledge and skills of educationally and economically disadvantaged individuals, and result in increased employment and earnings for such individuals;

(B) the integration to be achieved between projects assisted under this section and the 4-year State plan (and related needs assessment carried out for the plan) developed in accordance with section 342 of the Adult Education Act (20 U.S.C. 1206a);

(C) the variety of settings, including workplace settings in which literacy training and learning opportunities will be provided; and

(D) the linkages that will be established, where feasible to avoid duplication and enhance the delivery of services with programs under—

(i) titles II and III;

(ii) the Adult Education Act;

- (iii) the Carl D. Perkins Vocational and Applied Technology Education Act;
- (iv) the Stewart B. McKinney Homeless Assistance Act;
- (v) the JOBS program;
- (vi) the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);
- (vii) the National Literacy Act of 1991 (Public Law 102-73);
- (viii) the Emergency Immigrant Education Act of 1984 (20 U.S.C. 3121 et seq.); and
- (ix) the National and Community Service Act of 1990;

(3) the goals to be achieved and services to be provided by the nontraditional employment for women programs specified in subsection (a)(2)(C) that will receive the assistance; and

(4) the proportion of funds received under this section that will be used to achieve the goals, and provide the services, described in paragraphs (1), (2), and (3).

**(d) SERVICE REQUIREMENTS.—**

**(1) PERMITTED SERVICES.—**Services funded under this section to carry out the projects described in subsection (a)(2) may include education and training, vocational education services, and related services, provided to participants under title II. In addition, services funded under this section may include services for offenders, veterans, and other individuals who the Governor determines require special assistance.

**(2) LIMITATIONS ON EXPENDITURES.—**

**(A) COORDINATION OF SERVICES.—**Not more than 20 percent of the funds allocated under this section may be expended to pay for the Federal share of projects described in subsection (a)(2)(D) at the State and local levels.

**(B) SCHOOL-TO-WORK SERVICES; LITERACY AND LIFELONG LEARNING SERVICES.—**Not less than 80 percent of the funds allocated under this section shall be expended to pay for the Federal share of projects conducted in accordance with subparagraphs (A), (B), and (C) of subsection (a)(2).

**(C) ECONOMICALLY DISADVANTAGED INDIVIDUALS.—**Not less than 75 percent of the funds allocated for projects under subparagraphs (A), (B), and (C) of subsection (a)(2) shall be expended for projects for economically disadvantaged individuals who experience barriers to employment. Priority for funds not expended for the economically disadvantaged shall be given to title III participants and persons with barriers to employment.

**(e) DISTRIBUTION OF FUNDS IN ABSENCE OF AGREEMENT.—**If no agreement is reached in accordance with subsection (b) on the use of funds under this section, the funds shall be available to the Governor to achieve the goals and provide the services described in paragraph (1), (2), or (3) of subsection (c).

**(f) REPORTS AND RECORDS.—**

**(1) REPORTS BY GOVERNORS.—**The Governor shall prepare reports on the projects funded under this section, including such information as the Secretary may require to determine the ex-

tent to which the projects supported under this section result in achieving the goals specified in paragraphs (1), (2), and (3) of subsection (c). The Governor shall submit the reports to the Secretary at such intervals as shall be determined by the Secretary.

(2) RECORDS AND REPORTS OF RECIPIENTS.—Each direct or indirect recipient of funds under this section shall keep records that are sufficient to permit the preparation of reports. Each recipient shall submit such reports to the Secretary, at such intervals as shall be determined by the Secretary.

(29 U.S.C. 1533) Enacted September 7, 1992, P.L. 102-367, sec 122, 106 Stat 1038.

#### IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS

SEC. 124. If a State or service delivery area imposes a requirement, including a rule, regulation, policy, or performance standard relating to the administration and operation of programs funded by this Act (including requirements based on State or service delivery area interpretation of any Federal law, regulation, or guideline) the State or area shall identify the requirement as a State- or service delivery area-imposed requirement.

(29 U.S.C. 1534) Enacted September 7, 1992, P.L. 102-367, sec. 123, 106 Stat 1041

#### STATE LABOR MARKET INFORMATION PROGRAMS

SEC. 125. (a) In order to be eligible for Federal financial assistance for State labor market information programs under this Act from funds made available under section 461(b), the Governor shall designate the State occupational information coordinating committee or other organizational unit to be responsible for oversight and management of a statewide comprehensive labor market and occupational supply and demand information system, which shall—

(1) design a comprehensive cost-efficient labor market and occupational supply and demand information system which—

(A) is responsive to the economic demand and education and training supply support needs of the State and areas within the State, and

(B) meets the Federal standards under chapter 35 title 44, United States Code, and other appropriate Federal standards established by the Bureau of Labor Statistics;

(2) standardize available Federal and State multi-agency administrative records and direct survey data sources to produce an employment and economic analysis with a published set of projections for the State and designated areas within the State which, at the minimum, includes—

(A) identification of geographic and occupational areas of potential growth or decline; and

(B) an assessment of the potential impact of such growth or decline on individuals, industries, and communities, including occupational supply and demand characteristics data;

(3) assure, to the extent feasible, that—

(A) automated technology will be used by the State;

(B) administrative records have been designed to reduce paperwork; and

(C) multiple survey burdens on the employers of the State have been reduced;

(4) publish and disseminate labor market and occupational supply and demand information and individualized career information to State agencies, area public agencies, libraries, and private not-for-profit users, and individuals who are in the process of making career decision choices;

(5) conduct research and demonstration projects designed to improve any aspect of the statewide information system; and

(6) provide training and technical assistance to support comprehensive career guidance and participant activities for local programs assisted under this Act.

(b)(1) The analysis required under clause (2) of subsection (a) shall be used to contribute in carrying out the provisions of this Act, the Carl D. Perkins Vocational Education Act, and the Act of June 6, 1933, known as the Wagner-Peyser Act.

(2) The assurance required by clause (3) of subsection (a) shall also include that the State will, to the maximum extent possible, assure consolidation of available administrative data and surveys to reduce duplication of recordkeeping of State and local agencies, including secondary and postsecondary educational institutions.

(3) If any Federal funds are used to carry out clause (5) of subsection (a), access to and information on the results will remain in the public domain.

(c) The Secretary through the National Occupational Information Coordinating Committee shall reimburse the States the costs of carrying out the provisions of this section but the aggregate reimbursements in any fiscal year shall not exceed the amount available under part E of title IV for this section.

(d) No provision of this part or any other provision of Federal law shall be construed to prohibit any State from combining or consolidating Federal administrative management information reporting requirements relating to employment, productivity, or training, if notice is transmitted by the Governor to the head of each appropriate Federal and State agency responsible for the laws governing the Federal reporting requirements. The notice shall specify the intent to combine or consolidate such requirements. The head of each appropriate Federal agency shall approve the combination or consolidation unless, within sixty days after receiving the notice, the Federal agency can demonstrate that the combination or consolidation will not meet the essential purposes of the affected Federal law.

(29 U.S.C. 1535) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1342; amended December 31, 1982, P.L. 97-404, sec. 1(e), 96 Stat. 2026; amended October 19, 1984, P.L. 98-524, sec. 4(a)(3), 98 Stat. 2487; amended September 7, 1992, P.L. 102-367, secs. 124 and 702(a)(6), 106 Stat. 1041, 1112.

#### AUTHORITY OF STATE LEGISLATURE

SEC. 126. Nothing in this Act shall be interpreted to preclude the enactment of State legislation providing for the implementa-

tion, consistent with the provisions of this Act, of the programs assisted under this Act.

(29 U.S.C. 1536) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1343

#### INTERSTATE AGREEMENTS

SEC. 127. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

(29 U.S.C. 1537) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1343.

#### PART C—PROGRAM REQUIREMENTS FOR SERVICE DELIVERY SYSTEM

##### GENERAL PROGRAM REQUIREMENTS

SEC. 141. Except as otherwise provided, the following conditions are applicable to all programs under this Act:

(a) Each job training plan shall provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities and shall make efforts to provide equitable services among substantial segments of the eligible population.

(b) Funds provided under this Act shall only be used for activities which are in addition to those which would otherwise be available in the area in the absence of such funds.

(c)(1) No funds provided under this Act shall be used or proposed for use to encourage or induce the relocation, of an establishment or part thereof, that results in a loss of employment for an employee of such establishment at the original location.

(2) No funds provided under this Act shall be used for customized or skill training, on-the-job training, or company specific assessments of job applicants or employees, for any establishment or part thereof, that has relocated, until 120 days after the date on which such establishment commences operations at the new location, if the relocation of such establishment or part thereof, results in a loss of employment for any employee of such establishment at the original location.

(3) If a violation of paragraph (1) or (2) is alleged, the Secretary shall conduct an investigation to determine whether a violation has occurred.

(4) If the Secretary determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State, service delivery area, or substate grantee that has violated paragraph (1) or (2) to—

(A) repay to the United States an amount equal to the amount expended in violation of paragraph (1) or (2), in accordance with subsection (d) or (e) of section 164; and

(B) pay an additional amount equal to the amount required to be repaid under subparagraph (A), unless the State, service delivery area, or substate grantee demonstrates to the Secretary that it neither knew nor reasonably could have known (after an inquiry undertaken with due diligence) that it provided funds in violation of paragraph (1) or (2).

(5) Amounts received under paragraph (4)(B) shall be deposited in a special account in the Treasury for use by the Secretary for carrying out title III.

(d)(1) Training provided with funds made available under this Act shall be only for occupations for which there is a demand in the area served or in another area to which the participant is willing to relocate, and consideration in the selection of training programs may be given to training in occupations determined to be in sectors of the economy which have a high potential for sustained demand or growth.

(2) Efforts shall be made to develop programs which contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping in occupations traditional for the other sex.

(3)(A) Commercially available training packages, including advanced learning technology, may be purchased for off-the-shelf prices and without requiring a breakdown of the cost components of the package if such packages are purchased competitively and include performance criteria.

(B) Tuition charges for training or education provided by an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))) or a proprietary institution of higher education (as defined in section 481(b) of such Act (20 U.S.C. 1088(b))), that are not more than the charges for such training or education made available to the general public, do not require a breakdown of cost components.

(C) With respect to funds provided from the allocation to a service delivery area for any program year that are expended by any community-based organization or nonprofit organization for the cost of administration under part A or C of title II, the service delivery area shall not be subject to the limitation contained in section 108(b)(4)(A) if—

(i) such funds are expended pursuant to an agreement under which not less than 90 percent of the funds provided to the community-based organization or nonprofit organization are to be expended for the costs of direct training and training-related and supportive services;

(ii) the expenditures of such funds are charged by the service delivery area to the appropriate cost category;

(iii) the expenditure of such funds does not result in the service delivery area exceeding the limitation contained in section 108(b)(4)(A) by more than 25 percent of such limitation; and

(iv) the service delivery area is in compliance with the limitation contained in section 108(b)(4)(B) for such program year, except that such limitation shall be reduced by a percentage equal to one-half of the percentage by which the expenditures of the service delivery area under this subparagraph exceed the limitation under section 108(b)(4)(A).

(4) Placements made in unsubsidized employment shall be, to the extent practicable, in occupational areas related to the training provided to the participant.

(e)(1) Only eligible individuals residing in the service delivery area may be served by employment and training activities funded

under title II, except that the job training plan may provide for limited exceptions to this requirement, including exceptions necessary to permit services to homeless individuals who cannot prove residence within the service delivery area.

(2) Any service delivery area may enter into an agreement or contract with another service delivery area (including a service delivery area that is a city or county within the same labor market) to pay or share the cost of educating, training, or placing individuals participating in programs assisted under this Act, including the provision of supportive services. Such agreement or contract shall be approved by each private industry council providing guidance to the service delivery area and shall be described in the job training plan under section 104.

(f) No member of any council under this Act shall cast a vote on the provision of services by that member (or any organization which that member directly represents) or vote on any matter which would provide direct financial benefit to that member.

(g)(1) Payments to employers for on-the-job training shall not, during the period of such training, average more than 50 percent of the wages paid by the employer to such participants, and payments in such amount shall be deemed to be in compensation for the extraordinary costs associated with training participants under this Act and in compensation for the costs associated with the lower productivity of such participants.

(2) On-the-job training authorized under the Act for a participant shall be limited in duration to a period not in excess of that generally required for acquisition of skills needed for the position within a particular occupation, but in no event shall exceed 6 months, unless the total number of hours of such training is less than 500 hours. In determining the period generally required for acquisition of the skills, consideration shall be given to recognized reference material (such as the Dictionary of Occupational Titles) the content of the training of the participant, the prior work experience of the participant, and the service strategy of the participant.

(3)(A) Each on-the-job training contract shall—

(i) specify the types and duration of on-the-job training and the other services to be provided in sufficient detail to allow for a fair analysis of the reasonableness of proposed costs; and

(ii) comply with the applicable requirements of section 164

(B) Each on-the-job training contract that is not directly contracted by a service delivery area with an employer (but instead is contracted through an intermediary brokering contractor) shall, in addition to meeting the requirements of subparagraph (A), specify the outreach, recruitment, participant training, counseling, placement, monitoring, followup, and other services to be provided directly by the brokering contractor within its own organization, the services to be provided by the employers conducting the on-the-job training, and the services to be provided, with or without cost, by other agencies and subcontractors.

(C) If a brokering contractor enters into a contract with a subcontractor to provide training or other services, the brokering contractor shall ensure, through on-site monitoring, compliance with subcontract terms prior to making payment to the subcontractor.

(4) In accordance with regulations issued by the Secretary, on-the-job training contracts under this Act shall not be entered into with employers who have received payments under previous contracts and have exhibited a pattern of failing to provide on-the-job training participants with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(h) Funds provided under this Act shall not be used to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless the plan establishes that alternative services or facilities would be more effective or more likely to achieve performance goals.

(i) Each administrative entity shall be responsible for the allocation of funds and the eligibility of those enrolled in its programs and shall have responsibility to take action against its subcontractors, subgrantees, and other recipients to eliminate abuses in the programs they are carrying out, and to prevent any misuse of funds by such subcontractors, subgrantees, and other recipients. Administrative entities may delegate the responsibility for determination of eligibility under reasonable safeguards, including provisions for reimbursement of cost incurred because of erroneous determinations made with insufficient care, if such an arrangement is included in an approved job training plan.

(j) No person or organization may charge an individual a fee for the placement or referral of such individual in or to a training program under this Act.

(k) No funds may be provided under this Act for any subsidized employment with any private for-profit employer unless the individual employed is a youth aged 16 to 21, inclusive, who is economically disadvantaged and the employment is provided in accordance with subparagraphs (F) and (H) of section 264(c)(1).

(l) The Secretary shall not provide financial assistance for any program under this Act which involves political activities.

(m)(1) Income under any program administered by a public or private nonprofit entity may be retained by such entity only if used to continue to carry out the program.

(2) Income subject to the requirements of paragraph (1) shall include—

(A) receipts from goods or services (including conferences) provided as a result of activities funded under the Act;

(B) funds provided to a service provider under the Act that are in excess of the costs associated with the services provided; and

(C) interest income earned on funds received under this Act.

(3) For the purposes of this subsection, each entity receiving financial assistance under this Act shall maintain records sufficient to determine the amount of income received and the purposes for which such income is expended.

(n) The Secretary shall notify the Governor and the appropriate private industry councils and chief elected officials of, and consult with the Governor and such councils and officials concern-



ing, any activity to be funded by the Secretary under this Act within the State or service delivery area; and the Governor shall notify the appropriate private industry councils and chief elected officials of, and consult with such concerning, any activity to be funded by the Governor under this Act within the service delivery area.

(o)(1) All education programs for youth supported with funds provided under title II shall be consistent with applicable State and local educational standards.

(2) Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under such title shall be consistent with the requirements of applicable State and local law and regulation.

(p) No funds available under part B of this title or part A or C of title II may be used for public service employment.

(q) No funds available under this Act shall be used for employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities. No funds under title II or III of this Act shall be used for foreign travel.

(r) The Federal requirements governing the title, use, and disposition of real property, equipment, and supplies purchased with funds provided under this Act shall be the Federal requirements generally applicable to Federal grants to States and local governments.

(s) Notwithstanding any other provision of law, a job training program under this Act or an education program shall receive priority consideration for the transfer of Federal property and equipment that the Secretary of Defense determines are in excess of current and projected requirements of the Department of Defense. Such property and equipment shall be transferred at no cost to such program.

(29 U.S.C. 1551) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1343; amended December 31, 1982, P.L. 97-404, sec. 1(f), 96 Stat. 2026; amended July 22, 1987, P.L. 100-77, sec. 740(b), 101 Stat. 531; amended September 7, 1992, P.L. 102-367, sec. 131, 106 Stat. 1042; amended October 23, 1992, P.L. 102-484, sec. 4467(f)(1), 106 Stat. 2751.

#### BENEFITS

SEC. 142. (a) Except as otherwise provided in this Act, the following provisions shall apply to all activities financed under this Act:

(1) A trainee shall receive no payments for training activities in which the trainee fails to participate without good cause.

(2) Individuals in on-the-job training shall be compensated by the employer at the same rates, including periodic increases, as similarly situated employees or trainees and in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law.

(3) Individuals employed in activities authorized under this Act shall be paid wages which shall not be less than the

highest of (A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938, (B) the minimum wage under the applicable State or local minimum wage law, or (C) the prevailing rates of pay for individuals employed in similar occupations by the same employer.

(4) References in paragraphs (2) and (3) to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1))—

(A) shall be deemed to be references to section 6(c) of that Act for individuals in the Commonwealth of Puerto Rico;

(B) shall be deemed to be references to section 6(a)(3) of that Act for individuals in American Samoa; and

(C) shall not be applicable for individuals in other territorial jurisdictions in which section 6 of the Fair Labor Standards Act of 1938 does not apply.

(b) Allowances, earnings and payments to individuals participating in programs under this Act shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act.

(29 U.S.C. 1552) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1345; amended December 31, 1982, P.L. 97-404, sec. 1(g), 96 Stat. 2026; amended September 7, 1992, P.L. 102-367, sec. 132, 106 Stat. 1045.

#### LABOR STANDARDS

SEC. 143. (a)(1) Conditions of employment and training shall be appropriate and reasonable in light of such factors as the type of work, geographical region, and proficiency of the participant.

(2) Health and safety standards established under State and Federal law, otherwise applicable to working conditions of employees, shall be equally applicable to working conditions of participants. With respect to any participant in a program conducted under this Act who is engaged in activities which are not covered by health and safety standards under the Occupational Safety and Health Act of 1970, the Secretary shall prescribe, by regulation, such standards as may be necessary to protect the health and safety of such participants.

(3) To the extent that a State workers' compensation law is applicable, workers' compensation benefits in accordance with such law shall be available with respect to injuries suffered by participants. To the extent that such law is not applicable, each recipient of funds under this Act shall secure insurance coverage for injuries suffered by such participants, in accordance with regulations prescribed by the Secretary.

(4) All individuals employed in subsidized jobs shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(5) No funds available under this Act may be used for contributions on behalf of any participant to retirement systems or plans.

(b)(1) No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

(2) No program under this Act shall impair—

(A) existing contracts for services; or

(B) existing collective bargaining agreements, unless the employer and the labor organization concur in writing with respect to any elements of the proposed activities which affect such agreement, or either such party fails to respond to written notification requesting its concurrence within 30 days of receipt thereof.

(3) No participant shall be employed or job opening filled (A) when any other individual is on layoff from the same or any substantially equivalent job, or (B) when the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this Act.

(4) No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

(c)(1) Each recipient of funds under this Act shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(2) Where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed to be funded under this Act, an opportunity shall be provided for such organization to submit comments with respect to such proposal.

(d) All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Act of March 3, 1931 (40 U.S.C. 276a-276a-5), popularly known as the Davis-Bacon Act. The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267 and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948 as amended; 40 U.S.C. 276(c)). The provisions of this subsection shall not apply to a bona fide trainee in a training program under this Act. The provisions of section 167(a)(4) shall apply to such trainees.

(29 U.S.C. 1553) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1345; amended December 31, 1982, P.L. 97-404, sec. 1(h), 96 Stat. 2026; amended September 7, 1992, P.L. 102-367, sec. 133, 106 Stat. 1045.

#### GRIEVANCE PROCEDURE

SEC. 144. (a) Each administrative entity, contractor, and grantee under this Act shall establish and maintain a grievance procedure for grievances or complaints about its programs and activities from participants, subgrantees, subcontractors, and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made no later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within one year of the alleged occurrence.

(b) Each recipient of financial assistance under this Act which is an employer of participants under this Act shall continue to operate or establish and maintain a grievance procedure relating to the terms and conditions of employment.

(c) Upon exhaustion of a recipient's grievance procedure without decision, or where the Secretary has reason to believe that the recipient is failing to comply with the requirements of this Act or the terms of the job training plan, the Secretary shall investigate the allegation or belief and determine within 120 days after receiving the complaint whether such allegation or complaint is true.

(d)(1) If a person alleges a violation of section 143 and such person exhausts the recipient's grievance procedure or the 60-day time period described in subsection (a) has elapsed without a decision, either party to such procedure may submit the grievance to the Secretary. The Secretary shall investigate the allegations contained in the grievance and make a determination as to whether a violation of section 143 has occurred.

(2) If the results of the investigation conducted pursuant to paragraph (1) indicate that a modification or reversal of the decision issued pursuant to the recipient's grievance procedure is warranted, or the 60-day time period described in subsection (a) has elapsed without a decision, the Secretary may modify or reverse the decision, or issue a decision if no decision has been issued, as the case may be, after an opportunity for a hearing in accordance with the procedures under section 166.

(3) If the Secretary determines that the decision issued pursuant to the recipient's grievance procedure is appropriate, the determination shall become the final decision of the Secretary.

(e)(1) A person alleging a violation of section 143 may, as an alternative to the procedures described in this section, submit the grievance involving such violation to a binding grievance procedure if a collective bargaining agreement covering the parties to the grievance so provides.

(2) The remedies available under paragraph (1) shall be limited to the remedies available under subsection (f)(1)(C) and subsection (f)(2).

(f)(1) Except as provided in paragraph (2), remedies available to grievants under this section for violations of section 143 shall be limited to—

(A) suspension or termination of payments under this Act;

(B) prohibition of placement of a participant, for an appropriate period of time, in a program under this Act with an employer that has violated section 143, as determined under subsection (d) or (e); and

(C) appropriate equitable relief (other than back pay).

(2) In addition to the remedies available under paragraph (1), remedies available under this section for violations of subsection (a)(4), paragraphs (1) and (3) of subsection (b), and subsection (d) of section 143 may include—

(A) reinstatement of the grievant to the position held by such grievant prior to displacement;

(B) payment of lost wages and benefits; and

(C) reestablishment of other relevant terms, conditions, and privileges of employment.

(g) Nothing in subsection (f) shall be construed to prohibit a grievant from pursuing a remedy authorized under another Federal, State, or local law for a violation of section 143.

(29 U.S.C. 1554) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1346; amended September 7, 1992, P.L. 102-367, sec. 134(a), 106 Stat. 1045.

#### PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

SEC. 145. No provision of this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

(29 U.S.C. 1555) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1347.

#### PART D—FEDERAL AND FISCAL ADMINISTRATIVE PROVISIONS

##### PROGRAM YEAR

SEC. 161. (a) Beginning with fiscal year 1985 and thereafter, appropriations for any fiscal year for programs and activities under this Act shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(b)(1) Funds obligated for any program year may be expended by each recipient during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the job training plan.

(2) Notwithstanding paragraph (1), funds obligated for any program year for programs authorized by section 452 of part D of title IV of this Act shall remain available until expended.

(29 U.S.C. 1571) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1347; amended October 17, 1988, P.L. 100-495, 100 Stat. 2454; amended September 7, 1992, P.L. 102-367, sec. 702(a)(7), (8), 106 Stat. 1112.

##### PROMPT ALLOCATION OF FUNDS

SEC. 162. (a) All allotments and allocations under this Act shall be based on the latest available data and estimates satisfactory to the Secretary. All data relating to economically disadvantaged and low-income persons shall be based on 1980 Census or later data.

(b) Whenever the Secretary allots and allocates funds required to be allotted or allocated by formula under this Act, the Secretary shall publish in a timely fashion in the Federal Register the proposed amount to be distributed to each recipient.

(c) All funds required to be distributed by formula under this Act shall be allotted within 45 days after enactment of the appropriations, except that, if such funds are appropriated in advance as authorized by section 161, such funds shall be allotted not later than the March 31 preceding the program year for which such funds are to be available for obligation.

(d) Whenever the Secretary utilizes a formula to allot or allocate funds made available for distribution at the Secretary's discretion under this Act, the Secretary shall, not later than 30 days prior to such allotment or allocation, publish such formula in the Federal Register for comments along with the rationale for the formula and the proposed amounts to be distributed to each State and area. After consideration of any comments received, the Secretary shall publish final allotments and allocations in the Federal Register.

(e) Funds shall be made available to the grant recipient for the service delivery area not later than 30 days after the date they are made available to the Governor or 7 days after the date the plan is approved, whichever is later.

(f) When contracting with nonprofit organizations of demonstrated effectiveness, the Secretary, States, substate areas, and service delivery areas may make advance payments, provided that such payments are based on the financial need of such organization and are not in excess of 20 percent of the total contract amount.

(29 U.S.C. 1572) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1347; amended September 7, 1992, P.L. 102-367, sec. 141, 106 Stat. 1046.

#### MONITORING

SEC. 163. (a) The Secretary is authorized to monitor all recipients of financial assistance under this Act to determine whether they are complying with the provisions of this Act and the regulations issued under this Act.

(b) The Secretary may investigate any matter the Secretary deems necessary to determine compliance with this Act and regulations issued under this Act. The investigations authorized by this subsection may include examining records (including making certified copies thereof), questioning employees, and entering any premises or onto any site in which any part of a program of a recipient is conducted or in which any of the records of the recipient are kept.

(c) For the purpose of any investigation or hearing under this Act, the provisions of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) (relating to the attendance of witnesses and the production of books, papers, and documents) are made applicable to the Secretary.

(29 U.S.C. 1573) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1348.

#### FISCAL CONTROLS; SANCTIONS

SEC. 164. (a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, Federal funds paid to the recipient under titles II and III. Such procedures shall ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles applicable in each State.

(2) The Secretary shall prescribe regulations establishing uniform cost principles substantially equivalent to such principles generally applicable to recipients of Federal grants funds. At a

minimum, such standards shall provide that, to be allowable, costs must—

(A) be necessary and reasonable for proper and efficient administration of the program under this Act;

(B) be allocable to the program under this Act; and

(C) not be a general expense required to carry out the overall responsibilities of State, local, or federally recognized Indian tribal governments except as specifically provided by this Act.

(3) The Governor, in accordance with minimum requirements established by the Secretary in regulations, shall prescribe and implement procurement standards to ensure fiscal accountability and prevent fraud and abuse in programs administered under this Act. The Secretary, in establishing such minimum requirements, shall consult with the Inspector General of the Department of Labor and take into consideration relevant aspects of the circulars issued by the Director of the Office of Management and Budget. Such minimum requirements shall include provisions to ensure that for States, substate areas, and service delivery areas—

(A) procurements shall be conducted in a manner providing full and open competition;

(B) the use of sole source procurements shall be minimized to the extent practicable, but in every case shall be justified;

(C) procurements shall include an appropriate analysis of the reasonableness of costs and prices;

(D) procurements shall not provide excess program income (for nonprofit and governmental entities) or excess profit (for private for-profit entities), and that appropriate factors shall be utilized in determining whether such income or profit is excessive, such as—

(i) the complexity of the work to be performed;

(ii) the risk borne by the contractor; and

(iii) market conditions in the surrounding geographical area;

(E) procurements shall clearly specify deliverables and the basis for payment;

(F) written procedures shall be established for procurement transactions;

(G) no grantee, contractor, subgrantee, or subcontractor shall engage in any conflict of interest, actual or apparent, in the selection, award, or administration of a contract or grant under this Act;

(H) all grantees and subgrantees shall conduct oversight to ensure compliance with procurement standards; and

(I) procurement transactions between units of State or local governments, and any other entities organized principally as the administrative entity for service delivery areas, shall be conducted on a cost reimbursable basis.

(4) The Governor shall annually conduct on-site monitoring of each service delivery area and substate area within the State to ensure compliance with the procurement standards established pursuant to paragraph (3).

(5) If the Governor determines that a service delivery area or substate area is not in compliance with the procurement standards established pursuant to paragraph (3), the Governor shall—

- (A) require corrective action to secure prompt compliance; and
- (B) impose the sanctions provided under subsection (b) in the event of failure to take the required corrective action.
- (6) The Governor shall biennially certify to the Secretary that—
  - (A) the State has implemented the procurement standards established under paragraph (3);
  - (B) the State has monitored substate areas and service delivery areas to ensure compliance with the procurement standards as required under paragraph (4); and
  - (C) the State has taken appropriate action to secure compliance pursuant to paragraph (5).
- (7) If the Secretary determines that the Governor has not fulfilled the requirements of this subsection, the Secretary shall—
  - (A) require corrective action to secure prompt compliance; and
  - (B) impose the sanctions provided under subsection (f) in the event of failure of the Governor to take the required corrective action.
- (8) The Secretary, in consultation with the Inspector General, shall review the implementation of this subsection and submit a report to the appropriate committees of the Congress, not later than October 1, 1995, evaluating the effectiveness of this subsection in ensuring fiscal accountability and containing such recommendations as the Secretary determines to be appropriate.
- (b)(1) If, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this Act or the regulations under this Act, and corrective action has not been taken, the Governor shall—
  - (A) issue a notice of intent to revoke approval of all or part of the plan affected; or
  - (B) impose a reorganization plan, which may include—
    - (i) restructuring the private industry council involved;
    - (ii) prohibiting the use of designated service providers;
    - (iii) selecting an alternative entity to administer the program for the service delivery area involved;
    - (iv) merging the service delivery area into 1 or more other existing service delivery areas; or
    - (v) other such changes as the Secretary or Governor determines necessary to secure compliance.
- (2)(A) The actions taken by the Governor pursuant to paragraph (1)(A) may be appealed to the Secretary under the same terms and conditions as the disapproval of the plan and shall not become effective until—
  - (i) the time for appeal has expired; or
  - (ii) the Secretary has issued a decision.
- (B) The actions taken by the Governor pursuant to paragraph (1)(B) may be appealed to the Secretary, who shall make a final decision not later than 60 days of the receipt of the appeal.
- (3) If the Governor fails to promptly take the actions required under paragraph (1), the Secretary shall take such actions.
- (c)(1) The Comptroller General of the United States shall, on a selective basis, evaluate the expenditures by the recipients of grants under this Act in order to assure that expenditures are con-



sistent with the provisions of this Act and to determine the effectiveness of each recipient in accomplishing the purposes of this Act. The Comptroller General shall conduct the evaluations whenever he determines it necessary and he shall periodically report to the Congress on the findings of such evaluations.

(2) Nothing in this Act shall be deemed to relieve the Inspector General of the Department of Labor of his responsibilities under the Inspector General Act.

(3) For the purpose of evaluating and reviewing programs established or provided for by this Act, the Comptroller General shall have access to and the right to copy any books, accounts, records, correspondence, or other documents pertinent to such programs that are in the possession, custody, or control of the State, a private industry council established under section 102 of this Act, any recipient of funds under this Act, or any subgrantee or contractor of such recipients.

(d) Every recipient shall repay to the United States amounts found not to have been expended in accordance with this Act. The Secretary may offset such amounts against any other amount to which the recipient is or may be entitled under this Act unless he determines that such recipient should be held liable pursuant to subsection (e). No such action shall be taken except after notice and opportunity for a hearing have been given to the recipient.

(e)(1) Each recipient shall be liable to repay such amounts, from funds other than funds received under this Act, upon a determination that the misexpenditure of funds was due to willful disregard of the requirements of this Act, gross negligence, or failure to observe accepted standards of administration. No such finding shall be made except after notice and opportunity for a fair hearing.

(2) In determining whether to impose any sanction authorized by this section against a recipient for violations by a subgrantee of such recipient under this Act or the regulations under this Act, the Secretary shall first determine whether such recipient has adequately demonstrated that it has—

(A) established and adhered to an appropriate system for the award and monitoring of contracts with subgrantees which contains acceptable standards for ensuring accountability;

(B) entered into a written contract with such subgrantee which established clear goals and obligations in unambiguous terms;

(C) acted with due diligence to monitor the implementation of the subgrantee contract, including the carrying out of the appropriate monitoring activities (including audits) at reasonable intervals; and

(D) taken prompt and appropriate corrective action upon becoming aware of any evidence of a violation of this Act or the regulations under this Act by such subgrantee.

(3) If the Secretary determines that the recipient has demonstrated substantial compliance with the requirements of paragraph (2), the Secretary may waive the imposition of sanctions authorized by this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the provisions of this Act and any applicable Federal or State law directly against

any subgrantee for violation of this Act or the regulations under this Act.

(f) In emergency situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper operation of the program, the Secretary may immediately terminate or suspend financial assistance, in whole or in part, if the recipient is given prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or suspension. The Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer whose appointment was required to be made by and with the advice and consent of the Senate.

(g) If the Secretary determines that any recipient under this Act has discharged or in any other manner discriminated against a participant or against any individual in connection with the administration of the program involved, or against any individual because such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding or investigation under or related to this Act, or otherwise unlawfully denied to any individual a benefit to which that individual is entitled under the provisions of this Act or the Secretary's regulations, the Secretary shall, within thirty days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved individual, or both.

(h) The remedies under this section shall not be construed to be exclusive remedies.

(29 U.S.C. 1574) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1348; amended September 7, 1992, P.L. 102-367, sec. 142, 106 Stat. 1046.

#### REPORTS, RECORDKEEPING, AND INVESTIGATIONS

SEC. 165. (a)(1) Recipients shall keep records that are sufficient to permit the preparation of reports required by this Act and to permit the tracing of funds to a level of expenditure adequate to insure that the funds have not been spent unlawfully.

(2) Every recipient shall maintain such records and submit such reports, in such form and containing such information, as the Secretary requires regarding the performance of its programs. Such records and reports shall be submitted to the Secretary but shall not be required to be submitted more than once each quarter unless specifically requested by the Congress or a committee thereof.

(3) In order to allow for the preparation of national estimates necessary to meet the requirements of subsection (c), recipients shall maintain standardized records for all individual participants and provide to the Secretary a sufficient number of such records to provide for an adequate analysis.

(4)(A) Except as provided in subparagraph (B), records maintained by recipients pursuant to this subsection shall be made available to the public upon request.

(B) Subparagraph (A) shall not apply to—

(i) information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; and

(ii) trade secrets, or commercial or financial information, obtained from a person and privileged or confidential.

(C) Recipients may charge fees sufficient to recover costs applicable to the processing of requests for records under subparagraph (A).

(b)(1)(A) In order to evaluate compliance with the provisions of this Act, the Secretary shall conduct, in several States, in each fiscal year investigations of the use of funds received by recipients under this Act.

(B) In order to insure compliance with the provisions of this Act, the Comptroller General of the United States may conduct investigations of the use of funds received under this Act by any recipient.

(2) In conducting any investigation under this Act, the Secretary or the Comptroller General of the United States may not request the compilation of any new information not readily available to such recipient.

(3)(A) In carrying out any audit under this Act (other than any initial audit survey or any audit investigating possible criminal or fraudulent conduct), either directly or through grant or contract, the Secretary, the Inspector General, or the Comptroller General shall furnish to the State, administrative entity, recipient, or other entity to be audited, advance notification of the overall objectives and purposes of the audit, and any extensive recordkeeping or data requirements to be met, not fewer than 14 days (or as soon as practicable), prior to the commencement of the audit.

(B) If the scope, objectives, or purposes of the audit change substantially during the course of the audit, the entity being audited shall be notified of the change as soon as practicable.

(C) The reports on the results of such audits shall cite the law, regulation, policy, or other criteria applicable to any finding.

(D) Nothing contained in this Act shall be construed so as to be inconsistent with the Inspector General Act of 1978 (5 U.S.C. App.) or government auditing standards issued by the Comptroller General.

(c) Each State, each administrative entity, and each recipient (other than a subrecipient, grantee or contractor of a recipient) receiving funds under this Act shall—

(1) make readily accessible reports concerning its operations and expenditures as shall be prescribed by the Secretary;

(2) prescribe and maintain comparable management information systems, in accordance with guidelines that shall be prescribed by the Secretary, designed to facilitate the uniform compilation, cross tabulation, and analysis of programmatic, participant, and financial data, on statewide and service delivery area bases, necessary for reporting, monitoring, and evaluating purposes, including data necessary to comply with section 167; and

(3) monitor the performance of service providers in complying with the terms of grants, contracts, or other agreements made pursuant to this Act.

(d)(1) The reports required in subsection (c) shall include information pertaining to—

(A) the relevant demographic characteristics (including race, ethnicity, sex, and age) and other related information regarding participants;

(B) the activities in which participants are enrolled, and the length of time that participants are engaged in such activities;

(C) program outcomes, including occupations, for participants;

(D) specified program costs; and

(E) information necessary to prepare reports to comply with section 167.

(2) The Secretary shall ensure that all elements of the information required for the reports described in paragraph (1) are defined and reported uniformly.

(e) The Governor shall ensure that requirements are established for retention of all records pertinent to all grants awarded, and contracts and agreements entered into, under this Act, including financial, statistical, property and participant records and supporting documentation. For funds allotted to a State for any program year, records shall be retained for 2 years following the date on which the annual expenditure report containing the final expenditures charged to such program year's allotment is submitted to the Secretary. Records for nonexpendable property shall be retained for a period of 3 years after final disposition of the property.

(f)(1) Each substate grantee and service delivery area shall submit quarterly financial reports to the Governor with respect to programs under this Act. Such reports shall include information identifying all program costs by cost category in accordance with generally accepted accounting principles and by year of the appropriation.

(2) Each State shall submit a summary of the reports submitted pursuant to paragraph (1) to the Secretary on a quarterly basis.

(g) Each State, substate grantee, and service delivery area shall maintain records with respect to programs under this Act that identify—

(1) any program income or profits earned, including such income or profits earned by subrecipients; and

(2) any costs incurred (such as stand-in costs) that are otherwise allowable except for funding limitations.

(h)(1) The Secretary shall conduct a biennial study on the provision of supportive services under programs conducted pursuant to title II. Such study shall identify—

(A) the amount and proportion of funds expended for supportive services under title II;

(B) the types of supportive services provided;

(C) the relative share of funds expended for each type of supportive service;

(D) the characteristics of the participants receiving supportive services; and

(E) such other factors as the Secretary determines to be appropriate.

(2) The Secretary shall submit a report to the Congress containing the results of each study conducted pursuant to paragraph (1).

(29 U.S.C. 1575) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1350; amended September 7, 1992, P.L. 102-367, sec. 143, 106 Stat. 1048.

## ADMINISTRATIVE ADJUDICATION

SEC. 166. (a) Whenever any applicant for financial assistance under this Act is dissatisfied because the Secretary has made a determination not to award financial assistance in whole or in part to such applicant, the applicant may request a hearing before an administrative law judge of the Department of Labor. A similar hearing may also be requested by any recipient upon whom a corrective action or a sanction has been imposed by the Secretary. Except to the extent provided for in section 141(c), subsections (d) and (e) of section 144, or section 167, all other disputes arising under this Act shall be adjudicated under grievance procedures established by the recipient or under applicable law other than this Act.

(b) The decision of the administrative law judge shall constitute final action by the Secretary unless, within 20 days after receipt of the decision of the administrative law judge, a party dissatisfied with the decision or any part thereof has filed exceptions with the Secretary specifically identifying the procedure, fact, law, or policy to which exception is taken. Any exception not specifically urged shall be deemed to have been waived. Thereafter the decision of the administrative law judge shall become the final decision of the Secretary unless the Secretary, within 30 days of such filing, has notified the parties that the case has been accepted for review.

(c) Any case accepted for review by the Secretary shall be decided within one hundred and eighty days of such acceptance. If not so decided, the decision of the administrative law judge shall become the final decision of the Secretary.

(d) The provisions of section 168 of this Act shall apply to any final action of the Secretary under this section.

(29 U.S.C. 1576) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1351; amended September 7, 1992, P.L. 102-367, sec. 134(b), 106 Stat. 1046.

## NONDISCRIMINATION

SEC. 167. (a)(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded or otherwise financially assisted in whole or in part under this Act are considered to be programs and activities receiving Federal financial assistance.

(2) No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, disability, or political affiliation or belief.

(3) Participants shall not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(4) With respect to terms and conditions affecting, or rights provided to, individuals who are participants in activities supported by funds provided under this Act, such individuals shall not

be discriminated against solely because of their status as such participants.

(5) Participation in programs and activities financially assisted in whole or in part under this Act shall be open to citizens and nationals of the United States, lawfully admitted permanent resident aliens, lawfully admitted refugees and parolees, and other individuals authorized by the Attorney General to work in the United States.

(b) Whenever the Secretary finds that a State or other recipient has failed to comply with a provision of law referred to in subsection (a)(1), with paragraph (2), (3), (4), or (5) of subsection (a), or with an applicable regulation prescribed to carry out such paragraphs, the Secretary shall notify such State or recipient and shall request it to comply. If within a reasonable period of time, not to exceed sixty days, the State or recipient fails or refuses to comply, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act, as may be applicable; or

(3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever the Attorney General has reason to believe that a State or other recipient is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of paragraph (2), (3), (4), or (5) of subsection (a), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(d) For purposes of this section, Job Corps members shall be considered as the ultimate beneficiaries of Federal financial assistance.

(e)(1) The head of the office of the Department of Labor referred to as the "Directorate for Civil Rights" shall annually prepare a report on the administration and enforcement of this section.

(2) The report required by paragraph (1) shall include—

(A) an identification of the service delivery areas and States that have been determined, during the preceding program year, not to be in compliance with this section;

(B) for each such identification, the date on which the inquiry was begun and whether the inquiry was initiated on the basis of a complaint or at the initiative of the Department;

(C) an identification of the service delivery areas and States awaiting findings by the Directorate;

(D) the number of service delivery areas and States that, during the preceding year, were determined not to be in compliance with this section, and the number for which insufficient data prevented the making of such a determination, identifying the type of data which is missing or inadequate;

(E) a statistical summary, broken down by race, sex, national origin, disability, or age, of the number of inquiries undertaken and their outcomes;

(F) an identification of any service delivery area or State that has been determined, during the preceding year, to have failed to conduct objective assessments as required by sections 204 and 264 on a nondiscriminatory basis;

(G) the amount expended by the Directorate for the administration and enforcement of this section, and the number and percentage of full-time employees, and the full-time equivalent of the part-time employees, engaged in such administration and enforcement;

(H) the number of onsite visits conducted each year, and whether the visits were initiated by the Department or by complaint;

(I) the number of cases referred to the Attorney General, and for such cases—

(i) the civil actions taken by the Attorney General thereon; and

(ii) the use, by the Secretary, of the authority of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Age Discrimination Act of 1975 (29 U.S.C. 621 et seq.), or section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(J) a description of any other actions taken by the Secretary under or related to the administration and enforcement of this section.

(3) The report required by this subsection shall be submitted to the Congress as part of the Secretary's annual report under section 169(d).

(f) In addition to any other sums authorized to be appropriated under Federal law, there are authorized to be appropriated for the operations and expenses of the Directorate such sums as may be necessary for the purpose of increasing the number of full-time equivalent personnel available to the Directorate in order to comply with the requirements of this section.

(g) The Secretary shall issue final regulations implementing this section not later than 90 days after the date of the enactment of the Job Training Reform Amendments of 1992.

(29 U.S.C. 1577) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1352; amended September 7, 1992, P.L. 102-367, secs. 103(b)(2), 144, 106 Stat. 1026, 1051.

#### JUDICIAL REVIEW

SEC. 168. (a)(1) With respect to any final order by the Secretary under section 166 whereby the Secretary determines to award, to not award, or to only conditionally award, financial assistance, with respect to any final order of the Secretary under section 166 with respect to a corrective action or sanction imposed under section 164, and with respect to a denial of an appeal under section 101(4)(C) or 105(b)(2), any party to a proceeding which resulted in such final order may obtain review of such final order in the United States Court of Appeals having jurisdiction over the applicant or recipient of funds, by filing a review petition within 30 days of such final order.

(2) The clerk of the court shall transmit a copy of the review petition to the Secretary who shall file the record upon which the final order was entered as provided in section 2112 of title 28,

United States Code. Review petitions unless ordered by the court, shall not stay the Secretary's order. Petitions under this Act shall be heard expeditiously, if possible within ten days of the filing of a reply brief.

(3) No objection to the order of the Secretary shall be considered by the court unless the objection shall have been specifically and timely urged before the Secretary. Review shall be limited to questions of law and the Secretary's findings of fact shall be conclusive if supported by substantial evidence.

(b) The court shall have jurisdiction to make and enter a decree affirming, modifying, or setting aside the order of the Secretary in whole or in part. The court's judgment shall be final, subject to certiorari review by the Supreme Court of the United States as provided in section 1254(1) of title 28, United States Code.

(29 U.S.C. 1578) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1353.

#### ADMINISTRATIVE PROVISIONS

SEC. 169. (a) The Secretary may, in accordance with chapter 5 of title 5, United States Code, prescribe such rules and regulations (including performance standards) as the Secretary deems necessary. Such rules and regulations may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. All such rules and regulations shall be published in the Federal Register at least thirty days prior to their effective date. Copies of all such rules and regulations shall be transmitted to the appropriate committees of the Congress at the same time and shall contain, with respect to each material provision of such rules and regulations, citations to the particular substantive section of law which is the basis therefor.

(b) The Secretary is authorized, in carrying out this Act, to accept, purchase, or lease in the name of the department, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes of the United States.

(c) The Secretary may make such grants, contracts, or agreements, establish such procedures and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds under this Act as necessary to carry out this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments.

(d) The Secretary shall prepare and submit to the Congress an annual report for employment and training programs. The Secretary shall include in such report—

(1) a summary of the achievements, failures, and problems of the programs authorized in this Act in meeting the objective of this Act;



(2) a summary of major findings from research, evaluation, pilot projects, and experiments conducted in the previous fiscal year;

(3) recommendations for program modifications based upon analysis of such findings; and

(4) such other recommendations for legislative or administrative action as the Secretary deems appropriate.

(e) The Secretary shall develop methods to ascertain, and shall ascertain annually, energy development and conservation employment impact data by type and scale of energy technologies used. The Secretary shall present the best available data to the Secretary of Energy, the Secretary of Housing and Urban Development, and the Director of the Office of Management and Budget as part of the budgetary process and to the appropriate Committees of Congress annually.

(29 U.S.C. 1579) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1353.

#### UTILIZATION OF SERVICES AND FACILITIES

SEC. 170. The Secretary is authorized, in carrying out this Act, under the same conditions applicable under section 169(c) or to the extent permitted by law other than this Act, to accept and use the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and use the services and facilities of the agencies of any State or political subdivision of a State, with its consent.

(29 U.S.C. 1580) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1354; amended September 7, 1992, P.L. 102-367, sec. 145, 106 Stat. 1052.

#### OBLIGATIONAL AUTHORITY

SEC. 171. Notwithstanding any other provision of this Act, no authority to enter into contracts or financial assistance agreements under this Act shall be effective except to such extent or in such amount as are provided in advance in appropriation Acts.

(29 U.S.C. 1581) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1354.

#### PRESIDENTIAL AWARDS FOR OUTSTANDING PRIVATE SECTOR INVOLVEMENT IN JOB TRAINING PROGRAMS

SEC. 172. (a)(1)(A) The President is authorized to make Presidential awards for outstanding achievement by the private sector in the job training partnership program authorized by this Act. The President is authorized to make such awards to individuals who, and organizations which, have demonstrated outstanding achievement in planning and administering job training partnership programs or in contributing to the success of the job training partnership program.

(B) In making the awards pursuant to subparagraph (A) of this paragraph, the President shall consider the effectiveness of the program for which the award is made.

(2) The President is authorized to make Presidential awards for model programs in the job training partnership program authorized by this Act which demonstrate effectiveness in addressing the job training needs of groups of individuals with multiple barriers to employment.

(b)(1) Each year the President is authorized to make such awards under subsection (a) of this section as the President determines will carry out the objectives of this Act.

(2) The President shall establish such selection procedures, after consultation with the Secretary and the Governors of the States, as may be necessary.

(29 U.S.C. 1582) Enacted October 16, 1986, P.L. 99-496, sec. 4, 100 Stat. 1261.

#### SEC. 173. CONSTRUCTION.

(a) **ELIGIBILITY.**—Nothing in this Act shall be construed to limit the right of persons to remain eligible for assistance under title XIX of the Social Security Act, relating to Medicaid pursuant to section 1619(b) of such Act.

(b) **USE OF FUNDS.**—Nothing in this Act shall be construed to authorize the use of funds under this Act for the ongoing support services provided to individuals with disabilities placed in supported employment, as such term is defined in section 7(18) of the Rehabilitation Act of 1973.

(29 U.S.C. 1583) Enacted Nov 7, 1988, P.L. 100-628, sec. 714(e), 102 Stat. 3256; amended September 7, 1992, P.L. 102-367, secs. 103(b)(3), 702(a)(9), 106 Stat. 1026, 1112.

### PART E—MISCELLANEOUS PROVISIONS

**[Section 181 repealed by section 702(a)(10) of P.L. 102-367, 106 Stat. 1112]**

#### CRIMINAL PROVISIONS

SEC. 182. Section 665 of title 18, United States Code, is amended to read as follows:

**"THEFT OF EMBEZZLEMENT FROM EMPLOYMENT AND TRAINING FUNDS:  
IMPROPER INDUCEMENT: OBSTRUCTION OF INVESTIGATIONS**

**"SEC. 665. (a)** Whoever, being an officer, director, agent, or employee of, or connected in any capacity with any agency or organization receiving financial assistance or any funds under the Comprehensive Employment and Training Act or the Job Training Partnership Act knowingly enrolls an ineligible participant, embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a financial assistance agreement or contract pursuant to such Act shall be fined not more than \$10,000 or imprisoned for not more than 2 years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed \$100, such person shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both.

**"(b)** Whoever, by threat or procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a financial assistance agreement or contract under the Comprehensive Employment and Training Act or the Job Training Partnership Act induces any person to give up any money or thing of any value to any person (including such organization or agency receiving funds) shall be fined not more than \$1,000, or imprisoned not more than 1 year, or both.

"(c) Any person whoever willfully obstructs or impedes or willfully endeavors to obstruct or impede, an investigation or inquiry under the Comprehensive Employment and Training Act or the Job Training Partnership Act, or the regulations thereunder, shall be punished by a fine of not more than \$5,000, or by imprisonment for not more than 1 year, or by both such fine and imprisonment."

(18 U.S.C. 665) Amended October 13, 1982, P.L. 97-300, 96 Stat. 1357.

#### REFERENCE

SEC. 183. Effective on the date of enactment of this Act, all references in any other statute other than this Act, and other than in section 665 of title 18, United States Code, to the Comprehensive Employment and Training Act shall be deemed to refer to the Job Training Partnership Act.

(29 U.S.C. 1592) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1357.

#### REPEALERS

SEC. 184. (a) Effective on the date of enactment of this Act—  
(1) the Comprehensive Employment and Training Act is repealed;

(2) section 5(b) of the Comprehensive Employment and Training Act Amendments of 1978 is repealed.

(29 U.S.C. 801 et seq.) Repealed October 13, 1982, P.L. 97-300, 96 Stat. 1357.

## TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

### PART A—ADULT TRAINING PROGRAM

#### SEC. 201. STATEMENT OF PURPOSE.

It is the purpose of this part to establish programs to prepare adults for participation in the labor force by increasing their occupational and educational skills, resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency.

(29 U.S.C. 1601) Enacted September 7, 1992, P.L. 102-367, sec. 201, 106 Stat. 1052.

#### SEC. 202.<sup>1</sup> ALLOTMENT AND ALLOCATION.

##### (a) ALLOTMENT.—

(1) TERRITORIES.—Of the amount appropriated under section 3(a)(1) for each fiscal year and available to carry out this part, not more than one-quarter of 1 percent shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

(2) STATE RESERVATION.—After determining the amounts to be allotted under paragraph (1), the Secretary shall allot 77 percent of the remainder to the States for allocation to service delivery areas within each State. Each State shall allocate to

<sup>1</sup>For the Interim Training Services Formula made by P.L. 102-367 see the note set forth at the end of title II.

each service delivery area within the State the amount determined by the Secretary for such service delivery area pursuant to the formula contained in subsection (b). The remaining 23 percent shall be allotted in accordance with subsection (c).

(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

(1) FORMULA.—Subject to the provisions of paragraph (2), of the amounts allocated to service delivery areas for this part for each fiscal year—

(A)  $33\frac{1}{3}$  percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all service delivery areas in all States;

(B)  $33\frac{1}{3}$  percent shall be allocated on the basis of the relative excess number of unemployed individuals within each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in all States; and

(C)  $33\frac{1}{3}$  percent shall be allocated on the basis of the relative number of economically disadvantaged adults within each service delivery area as compared to the total number of economically disadvantaged adults in all service delivery areas in all States, except that for any service delivery area described in section 101(a)(4)(A)(iii), the allocation shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

(2) LIMITATIONS.—

(A) MINIMUM PERCENTAGE.—No service delivery area shall be allocated less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

(B) MAXIMUM PERCENTAGE.—No service delivery area shall be allocated more than 130 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

(C) STATE MINIMUM.—Notwithstanding subparagraphs (A) and (B), the total allocation for all service delivery areas within any one State shall not be less than one-quarter of 1 percent of the total allocated to all service delivery areas in all States.

(D) ALLOCATION PERCENTAGE.—

(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

(ii) FISCAL YEAR 1992.—For purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

## (c) STATE ACTIVITIES.—

(1) DIVISION.—Of the remaining 23 percent of funds available for allotment to States under this part for each fiscal year—

(A) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

(B) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (3);

(C) 8 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2) to carry out section 123; and

(D) 5 percent of the funds available for such allotment under this part shall be allotted to carry out section 204(d).

(2) FORMULA FOR ALLOTMENT.—The allotments to each State described in paragraph (1) shall be based on the relative amount of funds allocated to all service delivery areas within such State under subsection (b) as compared to the amount of funds allocated to all service delivery areas in all States under subsection (b).

## (3) OTHER USES.—

(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

## (d) DEFINITIONS AND RULE.—

(1) DEFINITIONS.—As used in this section:

(A) ECONOMICALLY DISADVANTAGED ADULT.—The term “economically disadvantaged adult” means an individual who is age 22 through 72 and who has, or is a member of a family that has, received a total family income that, in relation to family size, was not in excess of the higher of—

(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in

accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

(ii) 70 percent of the lower living standard income level.

(B) **EXCESS NUMBER.**—The term “excess number” means, with respect to the excess number of unemployed individuals within a service delivery area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area, or the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

(C) **STATE.**—The term “State” means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(2) **SPECIAL RULE.**—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged adults.

(29 U.S.C. 1602) Enacted September 7, 1992, P.L. 102-367, sec. 202, 106 Stat. 1052.

#### **SEC. 203. ELIGIBILITY FOR SERVICES.**

(a) **IN GENERAL.**—Except as provided in subsection (c), an individual shall be eligible to participate in the program under this part only if such individual is—

(1) 22 years of age or older; and

(2) economically disadvantaged.

(b) **HARD-TO-SERVE INDIVIDUALS.**—Not less than 65 percent of the participants in the program under this part, other than participants served under section 204(d), in each service delivery area shall be individuals who are included in 1 or more of the following categories:

(1) Individuals who are basic skills deficient.

(2) Individuals who are school dropouts.

(3) Individuals who are recipients of cash welfare payments, including recipients under the JOBS program.

(4) Individuals who are offenders.

(5) Individuals with disabilities.

(6) Individuals who are homeless.

(7) Individuals who are in a category established under subsection (d).

(c) **SPECIAL RULE.**—Not more than 10 percent of participants in a program assisted under this part, other than participants served under section 204(d), in each service delivery area may be individuals who are not economically disadvantaged if such individuals are age 22 or older and within 1 or more categories of individuals who face serious barriers to employment. Such categories may include the categories described in subsection (b), or categories such as displaced homemakers, veterans, alcoholics, or addicts.

(d) **ADDITIONAL CATEGORY.**—A service delivery area conducting a program assisted under this part may add one category of individ-

uals who face serious barriers to employment to the categories eligible individuals described in subsection (b) if—

(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

(2) the additional category of individuals is not solely comprised of—

(A) individuals with a poor work history; or

(B) individuals who are unemployed; and

(3) the Governor approves the request submitted under paragraph (1) and transmits a description of the approved request to the Secretary, as part of the Governor's coordination and special services plan under section 121.

(29 U.S.C 1603) Enacted September 7, 1992, P.L. 102-367, sec. 203, 100 Stat 1055.

#### SEC. 204. PROGRAM DESIGN.

##### (a) ESSENTIAL ELEMENTS.—

(1) IN GENERAL.—The programs under this part shall include—

(A) an objective assessment of the skill levels and service needs of each participant, which shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), and supportive service needs, except that a new assessment of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program (such as the JOBS program);

(B) development of service strategies that shall identify the employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for participants taking into account the assessments conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program);

(C) a review of the progress of each participant in meeting the objectives of the service strategy; and

(D) each of the following services, which shall be provided either directly or through arrangement with other programs to a participant where the assessment and the service strategy indicate such services are appropriate:

(i) Basic skills training.

(ii) Occupational skills training.

(iii) Supportive services.

##### (2) ADDITIONAL REQUIREMENTS.—

(A) INFORMATION AND REFERRALS.—Each service delivery area shall ensure that each participant or applicant who meets the minimum income eligibility criteria shall be provided—

(i) information on the full array of applicable or appropriate services that are available through the service delivery area or other service providers, including those receiving funds under this Act; and

(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

**(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—**

(i) **SERVICE PROVIDERS.**—Each service provider shall ensure that an eligible applicant who does not meet the enrollment requirements of its particular program or who cannot be served shall be referred to the service delivery area for further assessment, as necessary, and referral to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

(ii) **SERVICE DELIVERY AREA.**—The service delivery area shall ensure that appropriate referrals are made pursuant to clause (i), and shall maintain appropriate records of such referrals and the basis for such referrals.

**(b) AUTHORIZED SERVICES.**—Subject to the limitations contained in subsection (c), services that may be made available to each participant under this part may include—

(1) direct training services, including—

(A) basic skills training, including remedial education, literacy training, and English-as-a-second-language instruction;

(B) institutional skills training;

(C) on-the-job training;

(D) assessment of the skill levels and service needs of participants;

(E) counseling, such as job counseling and career counseling;

(F) case management services;

(G) education-to-work transition activities;

(H) programs that combine workplace training with related instruction;

(I) work experience;

(J) programs of advanced career training that provide a formal combination of on-the-job and institutional training and internship assignments that prepare individuals for career employment;

(K) training programs operated by the private sector, including programs operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply;

(L) skill upgrading and retraining;

(M) bilingual training;

(N) entrepreneurial training;

(O) vocational exploration;



- (P) training programs to develop work habits to help individuals obtain and retain employment;
  - (Q) attainment of certificates of high school equivalency;
  - (R) preapprenticeship programs;
  - (S) on-site, industry-specific training programs supportive of industrial and economic development;
  - (T) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training; and
  - (U) use of advanced learning technology for education, job preparation, and skills training; and
- (2) training-related and supportive services, including—
- (A) job search assistance;
  - (B) outreach to make individuals aware of, and encourage the use of, employment and training services, including efforts to expand awareness of training and placement opportunities for limited-English proficient individuals and individuals with disabilities;
  - (C) outreach, to develop awareness of, and encourage participation in, education, training services, and work experience programs to assist women in obtaining nontraditional employment, and to facilitate the retention of women in nontraditional employment, including services at the site of training or employment;
  - (D) specialized surveys not available through other labor market information sources;
  - (E) dissemination of information on program activities to employers;
  - (F) development of job openings;
  - (G) programs coordinated with other Federal employment-related activities;
  - (H) supportive services, as defined in section 4(24), necessary to enable individuals to participate in the program;
  - (I) needs-based payments and financial assistance;
  - (J) followup services with participants placed in unsubsidized employment; and
  - (K) services to obtain job placements for individual participants.
- (c) DESIGN OF SERVICES.—
- (1) WORKPLACE CONTEXT AND INTEGRATION.—Basic skills training provided under this part shall, in appropriate circumstances, have a workplace context and be integrated with occupational skills training.
- (2) BASIC EDUCATION OR OCCUPATIONAL SKILLS.—
- (A) ADDITIONAL SERVICES.—Except as provided in subparagraph (B), work experience, job search assistance, job search skills training, and job club activities provided under this part shall be accompanied by additional services designed to increase the basic education or occupational skills of a participant.
  - (B) LACK OF APPROPRIATENESS AND AVAILABILITY.—Each program assisted under this part may only provide job search assistance, job search skills training, and job club

activities to a participant without the additional services described in subparagraph (A) if—

(i) the assessment and service strategy of a participant indicate that the additional services are not appropriate; and

(ii) the activities are not available to the participant through the employment service or other public agencies.

(3) **NEEDS-BASED PAYMENTS.**—Needs-based payments and financial assistance provided under this part shall be limited to payments necessary for participation in the program assisted under this part in accordance with a locally developed formula or procedure.

(4) **COUNSELING AND SUPPORTIVE SERVICES.**—Counseling and supportive services provided under this part may be provided to a participant for a period up to 1 year after the date on which the participant completes the program.

(5) **PROHIBITION ON PRIVATE ACTIONS.**—Nothing in this section shall be construed to establish a right for a participant to bring an action to obtain services described in the assessment or service strategy developed under subsection (a)(1).

(6) **VOLUNTEERS.**—The service delivery area shall make opportunities available for individuals who have successfully participated in programs under this part to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

**(d) SERVICES FOR OLDER INDIVIDUALS.—**

(1) **IN GENERAL.**—The Governor is authorized to provide for job training programs that are developed in conjunction with service delivery areas within the State and that are consistent with the plan for the service delivery area prepared and submitted in accordance with section 104, and designed to ensure the training and placement of older individuals in employment opportunities with private business concerns. The Governor shall ensure that the program under this subsection provides services throughout the State to older individuals on an equitable basis, taking into account the relative share of the population of older individuals described in paragraph (6)(A) within the State, residing in each service delivery area.

**(2) AGREEMENTS.—**

(A) **IN GENERAL.**—In carrying out this subsection, the Governor shall, after consultation with appropriate private industry councils and chief elected officials, enter into agreements with public agencies, nonprofit private organizations (including veterans organizations), private industry councils, service delivery areas, and private business concerns.

(B) **PRIORITY.**—In entering into the agreements described in subparagraph (A), the Governor shall give priority to national, State, and local agencies and organizations that have a record of demonstrated effectiveness in providing training and employment services to such older individuals.

(3) **CONSIDERATIONS.**—The Governor shall give consideration to assisting programs involving training for jobs in growth industries and jobs reflecting the use of new technological skill.

(4) **COORDINATION.**—In providing the services required by this subsection, the Governor shall make efforts to coordinate the delivery of such services with the delivery of services under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(5) **ELIGIBILITY.**—

(A) **ECONOMICALLY DISADVANTAGED.**—Except as provided in subparagraph (B), an individual shall be eligible to participate in a job training program under this subsection only if the individual is economically disadvantaged and is an older individual.

(B) **SPECIAL RULE.**—

(i) **INDIVIDUALS FACING SERIOUS BARRIERS TO EMPLOYMENT.**—An individual who is not economically disadvantaged as described in subparagraph (A) shall be eligible to participate in a job training program under this subsection if the individual faces serious barriers to employment, is an older individual, and meets income eligibility requirements under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.) subject to clause (ii).

(ii) **LIMITATION.**—Not more than 10 percent of all participants in a program assisted under this subsection shall be individuals who are not economically disadvantaged.

(6) **APPLICABLE REQUIREMENTS.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), the requirements of this Act applicable to programs conducted under this subsection shall be the same requirements applicable to the other programs conducted under this part.

(B) **EXCEPTIONS.**—

(i) **PROVISIONS NOT APPLICABLE.**—The provisions of section 104, subsections (b)(7) and (j) of section 106, section 109, section 203, and section 204(a)(2) shall not be applicable to programs conducted under this subsection.

(ii) **GOVERNOR.**—With respect to the application of sections 106(b), 108(b), 141(d)(3)(C), and 205 to programs conducted under this subsection, the term "service delivery area", as used in such provisions, means the Governor.

(7) **DEFINITION.**—As used in this subsection, the term "older individual" means an individual age 55 or older.

(29 U.S.C. 1604) Enacted September 7, 1992, P.L. 102-367, sec. 203, 106 Stat. 1055.

## SEC. 205. LINKAGES.

(a) **IN GENERAL.**—In conducting the program assisted under this part, service delivery areas shall establish appropriate linkage.

with other Federal programs. Such programs shall include, where feasible, programs assisted under—

- (1) the Adult Education Act (20 U.S.C. 1201 et seq.);
- (2) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);
- (3) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);
- (4) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.);
- (5) the employment program established under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4));
- (6) the National Apprenticeship Act (29 U.S.C. 50 et seq.);
- (7) the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);
- (8) title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.);
- (9) chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.);
- (10) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482);
- (11) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);
- (12) the National Literacy Act of 1991 (Public Law 102-73);
- (13) the Head Start Act (42 U.S.C. 9831 et seq.) (for purposes of child care services); and
- (14) any other provisions of this Act.

(b) **OTHER APPROPRIATE LINKAGES.**—In addition to the linkages required under subsection (a), each service delivery area receiving financial assistance under this part shall establish other appropriate linkages to enhance the provision of services under this part. Such linkages may be established with local educational agencies, local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working with disadvantaged adults, and other training, education, employment, economic development, and social service programs.

(29 U.S.C. 1605) Enacted September 7, 1992, P.L. 102-367, sec. 203, 106 Stat. 1060.

#### **SEC. 206. TRANSFER OF FUNDS.**

A service delivery area may transfer up to 10 percent of the amounts allocated to the service delivery area under section 202(b) to the program under part C if such transfer is—

- (1) described in the job training plan; and
- (2) approved by the Governor.

(29 U.S.C. 1606) Enacted September 7, 1992, P.L. 102-367, sec. 203, 106 Stat. 1061.

### **PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM**

#### **SEC. 251. PURPOSE.**

It is the purpose of programs assisted under this part—

- (1) to enhance the basic educational skills of youth;
- (2) to encourage school completion or enrollment in supplementary or alternative school programs;
- (3) to provide eligible youth with exposure to the world of work; and

(4) to enhance the citizenship skills of youth.

(29 U.S.C. 1630) Enacted September 7, 1992, P.L. 102-367, sec. 204, 106 Stat 1061.

#### SEC. 252. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION.

(a) **TERRITORIAL AND NATIVE AMERICAN ALLOCATION.**—From the funds appropriated under section 3(a)(2), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, the Commonwealth of the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

(b) **USE OF PART C FORMULA FOR ALLOTMENT AND ALLOCATION.**—The remainder of funds appropriated under section 3(a)(2) shall, for each fiscal year, be allotted among States and allocated among service delivery areas in accordance with section 262, except that no portion of such funds shall be reserved to carry out subsection (a)(1) or (c) of such section.

(29 U.S.C. 1631) Enacted September 7, 1992, P.L. 102-367, sec. 204, 106 Stat 1061.

#### SEC. 253. USE OF FUNDS.

(a) **IN GENERAL.**—Funds available under this part may be used for—

(1) basic and remedial education, institutional and on-the-job training, work experience programs, youth corps programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search assistance and job club activities, activities under programs described in section 265(b), and any other employment or job training activity designed to give employment to eligible individuals or prepare the individuals for, and place the individuals in, employment;

(2) supportive services necessary to enable such individuals to participate in the program; and

(3) administrative costs, not to exceed 15 percent of the funds available under this part.

(b) **BASIC AND REMEDIAL EDUCATION.**—

(1) **IN GENERAL.**—A service delivery area shall expend funds (available under this Act or otherwise available to the service delivery area) for basic and remedial education and training as described in the job training plan under section 104.

(A) IN GENERAL.—Except as provided in subparagraph (B), the programs under this part shall include an objective assessment of the basic skills and supportive services needs of each participant, which may include a review of occupational skills, prior work experience, employability, interests, and aptitudes.

(B) RECENT ASSESSMENT.—A new assessment, or a factor of such assessment, of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program (such as the JOBS program or a regular high school academic program).

(2) SERVICE STRATEGY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the programs under this part shall include a service strategy for participants, which may identify achievement objectives, appropriate employment goals, and appropriate services for participants, taking into account the assessments conducted under paragraph (1).

(B) RECENT SERVICE STRATEGY.—A new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program or a regular high school academic program).

(d) FOLLOWUP SERVICES.—Service delivery areas shall make followup services available for participants if the service strategy indicates such services are appropriate.

(29 U.S.C. 1632) Enacted September 7, 1992, P.L. 102-367, sec. 204, Stat. 1061.

**SEC. 254. LIMITATIONS.**

(a) USE DURING SUMMER MONTHS OR EQUIVALENT VACATION PERIOD.—

(1) SUMMER MONTHS.—Except as provided in paragraph (2), programs under this part shall be conducted during the summer months.

(2) VACATION PERIOD.—A service delivery area may, within the jurisdiction of any local educational agency that operates schools on a year-round, full-time basis, offer the programs under this part to participants during a vacation period treated as the equivalent of a summer vacation.

(b) ELIGIBILITY.—An individual shall be eligible to participate in the program assisted under this part if such individual—

(1) is age 14 through 21; and

(2)(A) is economically disadvantaged; or

(B) has been determined to meet the eligibility requirements for free meals under the National School Lunch Act (42 U.S.C. 1751 et seq.) during the most recent school year.

(c) CONCURRENT ENROLLMENT.—

(1) IN GENERAL.—An eligible individual participating in a program assisted under this part may concurrently be enrolled in programs under part C. Appropriate adjustment to the youth performance standards (regarding attainment of com-

petencies) under paragraphs (4)(A)(i) and (5) of section 106(c) shall be made to reflect the limited period of participation.

(2) **CONCURRENT ENROLLMENT AND TRANSFERS.**—Youth being served under this part or part C youth programs are not required to be terminated from participation in one program in order to enroll in the other. The Secretary shall provide guidance to service delivery areas on simplified procedures for concurrent enrollment and transfers for youth from one program to the other.

(29 U.S.C. 1633) Enacted September 7, 1992, P.L. 102-367, sec. 204, 106 Stat. 1062.

## **SEC. 255. APPLICABLE PROVISIONS.**

(a) **COMPARABLE FUNCTIONS OF AGENCIES AND OFFICIALS.**—Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this part as the private industry councils, chief elected officials, State job training coordinating councils, and Governors have with respect to funds available under parts A and C.

(b) **PROGRAM GOALS AND OBJECTIVES.**—Each service delivery area shall establish written program goals and objectives that shall be used for evaluating the effectiveness of programs conducted under this part. Such goals and objectives may include—

- (1) improvement in school retention and completion;
- (2) improvement in academic performance, including mathematics and reading comprehension;
- (3) improvement in employability skills; and
- (4) demonstrated coordination with other community service organizations such as local educational agencies, law enforcement agencies, and drug and alcohol abuse prevention and treatment programs.

(29 U.S.C. 1634) Enacted September 7, 1992, P.L. 102-367, sec. 204, 106 Stat. 1063.

## **SEC. 256. TRANSFER OF FUNDS.**

A service delivery area may transfer up to 10 percent of funds provided under this part to the program under part C if a transfer is approved by the Governor.

(29 U.S.C. 1635) Enacted September 7, 1992, P.L. 102-367, sec. 205, 106 Stat. 1063.

## **PART C—YOUTH TRAINING PROGRAM**

### **SEC. 261. STATEMENT OF PURPOSE.**

It is the purpose of the programs assisted under this part to prove the long-term employability of youth, enhance the educational, occupational, and citizenship skills of youth, encourage school completion or enrollment in alternative school programs, create the employment and earnings of youth, reduce welfare dependency, and assist youth in addressing problems that impair the ability of youth to make successful transitions from school to work.

apprenticeship, the military, or postsecondary education and training.

(29 U.S.C. 1641) Enacted September 7, 1992, P.L. 102-367, sec. 206, 106 Stat. 1063.

## SEC. 262.<sup>1</sup> ALLOTMENT AND ALLOCATION.

### (a) ALLOTMENT.—

(1) TERRITORIES.—Of the amount appropriated under section 3(a)(1) for each fiscal year and available to carry out this part, not more than one-quarter of 1 percent shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

(2) STATE RESERVATION.—After determining the amounts to be allotted under paragraph (1), the Secretary shall allot 82 percent of the remainder to the States for allocation to service delivery areas within each State. Each State shall allocate to each service delivery area within the State the amount determined by the Secretary for such service delivery area pursuant to the formula contained in subsection (b). The remaining 18 percent shall be allotted in accordance with subsection (c).

### (b) ALLOCATION TO SERVICE DELIVERY AREAS.—

(1) FORMULA.—Subject to the provisions of paragraph (2), of the amounts allocated to service delivery areas for this part for each fiscal year—

(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all service delivery areas in all States;

(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals within each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in all States; and

(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth within each service delivery area as compared to the total number of economically disadvantaged youth in all service delivery areas in all States except that, for any service delivery area described in section 101(a)(4)(A)(iii), the allocation shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

### (2) LIMITATIONS.—

(A) MINIMUM PERCENTAGE.—No service delivery area shall be allocated less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

<sup>1</sup>For the Interim Training Services Formula made by P.L. 102-367 see the note set forth at the end of title II.



(B) MAXIMUM PERCENTAGE.—No service delivery area shall be allocated more than 130 percent of its allocation percentage for the fiscal year preceding the fiscal year in which the determination is made.

(C) STATE MINIMUM.—Notwithstanding subparagraph (A) and (B), the total allocation for all service delivery areas within any one State shall not be less than one-quarter of 1 percent of the total allocated to all service delivery areas in all States.

(D) ALLOCATION PERCENTAGE.—

(i) IN GENERAL.—Except as provided in clause (ii) for purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to that service delivery area under this subsection.

(ii) FISCAL YEAR 1992.—For purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

(c) STATE ACTIVITIES.—

(1) DIVISION.—Of the remaining 18 percent of funds available for allotment to States under this part for each fiscal year—

(A) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 106(b)(1) and 122;

(B) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (3); and

(C) 8 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2) to carry out section 123.

(2) FORMULA FOR ALLOCATION.—The allotments to each State described in paragraph (1) shall be based on the relative amount of funds allocated to all service delivery areas within such State under subsection (b) as compared to the amount of funds allocated to all service delivery areas in all States under subsection (b).

(3) OTHER USES.—

(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

(d) DEFINITIONS AND RULE.—

(1) DEFINITIONS.—As used in this section:

(A) ECONOMICALLY DISADVANTAGED YOUTH.—The term “economically disadvantaged youth” means an individual who is age 16 through 21 and who has, or is a member of a family that has, received a total family income that, in relation to family size, was not in excess of the higher of—

(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

(ii) 70 percent of the lower living standard income level.

(B) EXCESS NUMBER.—The terms “excess number” and “State” shall have the meanings given the terms in subparagraphs (B) and (C), respectively, of section 202(d)(1).

(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged youth.

(29 U.S.C. 1642) Enacted September 7, 1992, P.L. 102-367, sec. 207, 106 Stat. 1064.

**SEC. 263. ELIGIBILITY FOR SERVICES.**

(a) IN-SCHOOL YOUTH.—Except as provided in subsections (e) and (g), an individual who is in school shall be eligible to participate in the program under this part if such individual—

(1)(A) is age 16 through 21; or

(B) if provided in the job training plan, is age 14 through 21; and

(2)(A) is economically disadvantaged;

(B) is participating in a compensatory education program under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.); or

(C) has been determined to meet the eligibility requirements for free meals under the National School Lunch Act (42 U.S.C. 1751 et seq.) during the most recent school year.

(b) HARD-TO-SERVE INDIVIDUALS WHO ARE IN-SCHOOL YOUTH.—Not less than 65 percent of the in-school individuals who participate in a program under this part shall be individuals who are included in one or more of the following categories:

(1) Individuals who are basic skills deficient.

(2) Individuals with educational attainment that is 1 or more grade levels below the grade level appropriate to the age of the individuals.

- (3) Individuals who are pregnant or parenting.
- (4) Individuals with disabilities, including a learning disability.
- (5) Individuals who are homeless or run-away youth.
- (6) Individuals who are offenders.
- (7) Individuals within a category established under subsection (h).
- (c) **OUT-OF-SCHOOL YOUTH.**—Except as provided in subsection (e), an individual who is out of school shall be eligible to participate in the program under this part if such individual is—
  - (1) age 16 through 21; and
  - (2) economically disadvantaged.
- (d) **HARD-TO-SERVE INDIVIDUALS WHO ARE OUT-OF-SCHOOL YOUTH.**—Not less than 65 percent of the out-of-school individuals who participate in a program under this part shall be individuals who are included in 1 or more of the following categories:
  - (1) Individuals who are basic skills deficient.
  - (2) Individuals who are school dropouts (subject to the conditions described in section 264(d)(2)).
  - (3) Individuals who are pregnant or parenting.
  - (4) Individuals with disabilities, including a learning disability.
  - (5) Individuals who are homeless or run-away youth.
  - (6) Individuals who are offenders.
  - (7) Individuals in a category established under subsection (h).
- (e) **EXCEPTIONS.**—Not more than 10 percent of participants in a program assisted under this part in each service delivery area may be individuals who do not meet the requirements of subsection (a)(2) or (c)(2), if such individuals are within one or more categories of individuals who face serious barriers to employment. Such categories may include the categories described in subsections (b)(d), or categories such as individuals with limited-English language proficiency, alcoholics, or drug addicts.
- (f) **RATIO OF OUT-OF-SCHOOL TO IN-SCHOOL YOUTH.**—
  - (1) **IN GENERAL.**—Except as provided in paragraph (2), not less than 50 percent of the participants in the program under this part in each service delivery area shall be out-of-school individuals who meet the requirements of subsection (c), (d), or (e).
  - (2) **COUNTING OF IN-SCHOOL INDIVIDUALS.**—In-school individuals served as a part of a schoolwide project under subsection (g) shall not be counted as a part of the ratio of in-school individuals to out-of-school individuals.
- (g) **SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.**—
  - (1) **IN GENERAL.**—In addition to the individuals described in subsection (e), an individual who does not meet the requirements of subsection (a)(2) may participate in the program assisted under this part if such individual is enrolled in a program at a school—
    - (A) that is located in a poverty area;
    - (B) that is served by a local educational agency that is eligible for assistance under chapter 1 of title I of the

mentary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.);

(C) in which not less than 70 percent of the students enrolled are included in the categories described in subsection (b); and

(D) that conducts a program under a cooperative arrangement that meets the requirements of section 265(d).

(2) DEFINITION.—For the purposes of paragraph (1), the term “poverty area” means an urban census tract or a nonmetropolitan county with a poverty rate of 30 percent or more, as determined by the Bureau of the Census.

(h) ADDITIONAL CATEGORY.—A service delivery area conducting a program assisted under this part may add one category of youth who face serious barriers to employment to the categories of eligible individuals specified in subsection (b) and one category to the categories of eligible individuals described in subsection (d) if—

(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

(2) the additional category of individuals is not solely comprised of—

(A) individuals with a poor work history; or

(B) individuals who are unemployed; and

(3) the Governor approves the request submitted under paragraph (1) and transmits a description of the approved request to the Secretary, as part of the Governor’s coordination and special services plan under section 121.

(29 U.S.C. 1643) Enacted September 7, 1992, P.L. 102-367, sec. 208, 106 Stat. 1066.

## SEC. 264. PROGRAM DESIGN.

(a) YEAR-ROUND OPERATION.—The programs under this part shall be conducted on a year-round basis. Services shall be made available on a multiyear basis as appropriate.

(b) ESSENTIAL ELEMENTS.—

(1) IN GENERAL.—The programs under this part shall include—

(A) an objective assessment of the skill levels and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), and supportive service needs, except that a new assessment of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted under another education or training program (such as the JOBS program);

(B) development of service strategies that shall identify the employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for participants taking into account the assessments conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the program

determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program);

(C) a review of the progress of each participant in meeting the objectives of the service strategy; and

(D) each of the following services, which shall be provided either directly or through arrangement with other programs to a participant where the assessment and the service strategy indicate such services are appropriate:

(i) Basic skills training.

(ii) Occupational skills training.

(iii) Preemployment and work maturity skills training.

(iv) Work experience combined with skills training.

(v) Supportive services.

(2) ADDITIONAL REQUIREMENTS.—

(A) INFORMATION AND REFERRALS.—Each service delivery area shall ensure that each participant or applicant who meets the minimum income eligibility criteria shall be provided—

(i) information on the full array of applicable or appropriate services that are available through the service delivery area or other service providers, including those receiving funds under this Act; and

(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—

(i) SERVICE PROVIDERS.—Each service provider shall ensure that an eligible applicant who does not meet the enrollment requirements of its particular program or who cannot be served shall be referred to the service delivery area for further assessment, as necessary, and referral to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

(ii) SERVICE DELIVERY AREA.—The service delivery area shall ensure that appropriate referrals are

- (F) limited internships in the private sector;
  - (G) training or education that is combined with community and youth service opportunities in public agencies, nonprofit agencies, and other appropriate agencies, institutions, and organizations, including youth corps programs;
  - (H) entry employment experience programs;
  - (I) school-to-work transition services;
  - (J) school-to-postsecondary education transition services;
  - (K) school-to-apprenticeship transition services; and
  - (L) preemployment and work maturity skills training;
- and

(2) training-related and supportive services, including—

- (A) the services described in section 204(b)(2);
- (B) drug and alcohol abuse counseling and referral;
- (C) services encouraging parental, spousal, and other significant adult involvement in the program of the participant; and
- (D) cash incentives and bonuses based on attendance and performance in a program.

(d) ADDITIONAL REQUIREMENTS.—

(1) STRATEGIES AND SERVICES.—In developing service strategies and designing services for the program under this part, the service delivery area and private industry council shall take into consideration exemplary program strategies and practices, including the strategies and practices of model programs selected for replication under section 453(c).

(2) SCHOOL DROPOUTS.—

(A) PARTICIPATION REQUIREMENTS.—In order to participate in a program assisted under this part, except for interim periods, an individual who is under the age of 18 and a school dropout shall enroll in and attend a school, course, or program described in clause (ii) or (iii) of subparagraph (B).

(B) SERVICE DELIVERY REQUIREMENTS.—

(i) IN GENERAL.—Each service delivery area shall make available, in accordance with this subparagraph, to each participant in the program who is under the age of 18 and is a school dropout, at least 2 options for school attendance. Such options shall be provided concurrently or sequentially with other services provided under this part to each such participant as a part of the training of such participant.

(ii) SCHOOL ATTENDANCE.—Each service delivery area shall provide, as one of the options for school attendance, an option for each such participant to enroll in and attend a high school equivalency program.

(iii) ADDITIONAL OPTION.—Each service delivery area shall provide, as a second option for school attendance for each such participant—

- (I) an option to reenroll in and attend school;
- (II) an option to enroll in and attend an alternative high school; or

(III) an option to enroll in and attend an alternative course of study approved by the local educational agency.

(3) SKILLS TRAINING.—

(A) PREEMPLOYMENT AND WORK MATURITY SKILLS TRAINING.—Preemployment and work maturity skills training authorized by this part shall be accompanied by either work experience or other additional services designed to increase the basic education or occupational skills of a participant. The additional services may be provided, concurrently or sequentially, under other education and training programs, including the Job Corps and the JOBS program.

(B) ADDITIONAL SERVICES.—Work experience, job search assistance, job search skills training, and job club activities provided under this part shall be accompanied by additional services designed to increase the basic education or occupational skills of a participant. The additional services may be provided, concurrently or sequentially, under other education and training programs, including the Job Corps and the JOBS program.

(C) ON-THE-JOB TRAINING.—

(i) POSITIONS.—On-the-job training authorized under this part shall only be available in positions that—

(I) pay the participant a wage that equals or exceeds the average wage at placement in the service delivery area for participants under part A; and

(II) have career advancement potential.

(ii) FORMAL PROGRAM OR STRUCTURED JOB TRAINING.—On-the-job training authorized under this part shall include a formal program of structured job training that will provide participants with an orderly sequence of instruction in work maturity skills, general employment competencies, and occupationally specific skills.

(iii) PARTICIPATION REQUIREMENT.—In order to participate in on-the-job training authorized under this part, except for interim periods, an individual who has not attained a high school diploma or its equivalent shall concurrently enroll in and attend a school, course, or program described in clause (ii) or (iii) of paragraph (2)(B).

(4) NEEDS-BASED PAYMENTS.—Needs-based payments and financial assistance provided under this part shall be limited to payments necessary for participation in the program assisted under this part in accordance with a locally developed formula or procedure.

(5) COUNSELING AND SUPPORTIVE SERVICES.—Counseling and supportive services provided under this part may be provided to a participant for a period of up to 1 year after the date on which the participant completes the program.

(6) PROHIBITION ON PRIVATE ACTIONS.—Nothing in this section shall be construed to establish a right for a participant to

bring an action to obtain services described in the assessment or service strategy developed under subsection (b)(1).

(7) **VOLUNTEERS.**—The service delivery area shall make opportunities available for successful individuals who have previously participated in programs under this part to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

(29 U.S.C. 1644) Enacted September 7, 1992, P.L. 102-367, sec. 208, 106 Stat. 1068.

#### SEC. 265. LINKAGES.

(a) **EDUCATIONAL LINKAGES.**—In conducting the program assisted under this part, service delivery areas shall establish linkages with the appropriate educational agencies responsible for service to participants. Such linkages shall include—

(1) formal agreements with local educational agencies that will identify—

(A) the procedures for referring and serving in-school youth;

(B) the methods of assessment of in-school youth; and

(C) procedures for notifying the program when a youth drops out of the school system;

(2) arrangements to ensure that the program under this part supplements existing programs provided by local educational agencies to in-school youth;

(3) arrangements to ensure that the program under this part utilizes, to the extent possible, existing services provided by local educational agencies to out-of-school youth; and

(4) arrangements to ensure that for in-school participants there is a regular exchange of information between the program and the educational agency relating to participant progress, problems, and needs, including, in appropriate circumstances, interim assessment results.

(b) **EDUCATION AND TRAINING PROGRAM LINKAGES.**—In conducting the program assisted under this part, service delivery areas shall establish appropriate linkages with other education and training programs authorized under Federal law. Such programs shall include, where feasible, programs assisted under—

(1) part B of title IV (the Job Corps);

(2) parts A through D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.);

(3) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(4) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

(5) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(6) part F of title IV of the Social Security Act (JOBS) (42 U.S.C. 681 et seq.);

(7) the Food Stamp Act (7 U.S.C. 2011 et seq.);

(8) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

(9) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482); and

(10) any other provisions of this Act.



(c) **OTHER PROGRAMS.**—In addition to the linkages required under subsections (a) and (b), service delivery areas receiving financial assistance under this part shall establish other appropriate linkages to enhance the provision of services under this part. Such linkages may be established with State and local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working with at-risk youth, parents and family members, juvenile justice systems, and other training, education, employment and social service programs including programs conducted under part A.

(d) **SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.**—In conducting a program serving individuals specified in section 263(g) the service delivery area shall establish a cooperative arrangement with the appropriate local educational agency that shall, in addition to the other requirements of this section, include—

(1) a description of the ways in which the program will supplement the educational program of the school;

(2) identification of measurable goals to be achieved by the program and provision for assessing the extent to which such goals are met;

(3) a description of the ways in which the program will use resources provided under this part and resources provided under other education programs to achieve the goals identified in paragraph (2);

(4) a description of the number of individuals to be served and

(5) assurances that the resources provided under this part shall be used to supplement and not supplant existing sources of funds.

(29 U.S.C. 1645) Enacted September 7, 1992, P.L. 102-367, sec. 208, 106 Stat. 1071.

#### **SEC. 266. TRANSFER OF FUNDS.**

A service delivery area may transfer up to 10 percent of the amounts allocated to the service delivery area under section 262(b) to the program under part A if such transfer is—

(1) described in the job training plan; and

(2) approved by the Governor.

(29 U.S.C. 1646) Enacted September 7, 1992, P.L. 102-367, sec. 208, 106 Stat. 1073

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**Note.**—Set forth is section 701 of the Job Training Reform Amendments of 1992 (Public Law 102-367) as follows:

## **TITLE VII—MISCELLANEOUS PROVISIONS**

#### **SEC. 701. EFFECTIVE DATE AND TRANSITION PROVISIONS.**

(a) **IN GENERAL.**—Except as otherwise provided in this section, this Act and the amendments made by this Act shall take effect on July 1, 1993.

(b) **PERFORMANCE STANDARDS.**—The Secretary of Labor shall issue revised performance standards under the amendments made by section 115 as soon as the Secretary determines sufficient data are available, but not later than July 1, 1994, except that with respect to the factor of retention in unsubsidized employment specified in section 106(b)(3)(B) of the Job Training Partnership Act (as amended by section 115), the requirement that such retention be for not less than 6 months shall take effect not later than July 1, 1995.

## (c) INTERIM TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for fiscal year 1993 is less than the sum of—

(A) \$25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 202 of this Act shall not take effect on July 1, 1993, and section 202 of the Job Training Partnership Act shall be amended to read as follows:

## \*SEC. 202. ALLOTMENT AND ALLOCATION.

## “(a) ALLOTMENT.—

“(1) TERRITORIES.—Not more than \$5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

“(2) STATES.—Subject to the provisions of paragraph (3), of the remainder of the amount available for this part for each fiscal year—

“(A) 33½ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

“(B) 33½ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States; and

“(C) 33½ percent shall be allotted on the basis of the relative number of economically disadvantaged adults within each State compared to the total number of economically disadvantaged adults in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

## “(3) LIMITATIONS.—

“(A) STATE MINIMUM.—No State shall receive less than one-quarter of 1 percent of the amounts available for allotment to the States under this subsection from the remainder described in paragraph (2) for each fiscal year.

“(B) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

## “(C) ALLOTMENT PERCENTAGE.—

“(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (B), the allotment percentage of a State for a fiscal year shall be the percentage of funds allotted to the State under this subsection.

“(ii) FISCAL YEAR 1992.—For purposes of subparagraph (B), the allocation percentage of a State for fiscal year 1992 shall be the percentage of funds allotted to the State under section 201, as in effect on the day before the date of enactment of the Job Training Reform Amendments of 1992.

## “(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

“(1) FORMULA.—The Governor shall, in accordance with section 162, allocate 77 percent of the allotment of the State under subsection (a) for each fiscal year among service delivery areas within the State, and shall ensure that, subject to the provisions of paragraph (3), of the amount allocated under this subsection—

“(A) 33½ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

“(B) 33½ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State; and

"(C) 33 1/3 percent shall be allocated on the basis of the relative number of economically disadvantaged adults within each service delivery area compared to the total number of economically disadvantaged adults in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the 2 preceding fiscal years preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a)(1) for a fiscal year and available to carry out this part are not sufficient to provide an amount equal to at least 90 percent of such allocation percentage to each such area, the amounts allocated to each area shall be ratably reduced.

"(B) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (A), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (A), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 23 percent of the allotment of the State under subsection (a) for each fiscal year—

"(A) 5 percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of such allotment of each State for each fiscal year shall be available to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (2);

"(C) 8 percent of the allotment of each State for each fiscal year shall be available to carry out section 123; and

"(D) 5 percent of such allotment of each State for each fiscal year shall be available to carry out section 204(d).

"(2) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under

"(i) with respect to the excess number of unemployed individuals within a State—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

"(ii) with respect to the excess number of unemployed individuals within a service delivery area—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged adults."

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on July 1, 1993.

(d) PERMANENT TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If section 202 of the Job Training Partnership Act is amended in accordance with subsection (c) and the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for a fiscal year is not less than the sum of—

(A) \$25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 202 of this Act shall take effect.

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on October 1 of the fiscal year described in paragraph (1).

(e) SUMMER YOUTH PROGRAM TRANSFERS.—

(1) IN GENERAL.—Section 205 and the amendment made by such section 205 shall take effect on the date of enactment of this Act.

(2) TRANSITION.—A service delivery area may transfer up to 10 percent of the amounts allocated for such area for the summer of 1992 under part B of title II of the Job Training Partnership Act for program year 1992 to provide services to youth pursuant to the program under part A of such title, to provide services to youth under such part A, if such transfer is approved by the Governor.

(f) INTERIM TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for fiscal year 1993 is less than the sum of—

(A) \$25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 207 of this Act shall not take effect on July 1, 1993, and title II of the Job Training Partnership Act shall be amended by inserting after section 261 of such Act the following:

"SEC. 262. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Not more than \$5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATES.—Subject to the provisions of paragraph (3), of the remainder of the amount available for this part for each fiscal year—

"(A) 33½ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in

each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

"(B) 33 1/3 percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to total excess number of unemployed individuals in all the States; and

"(C) 33 1/3 percent shall be allotted on the basis of the relative number of economically disadvantaged youth within each State compared to the number of economically disadvantaged youth in all States, except that, the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(3) LIMITATIONS.—

"(A) STATE MINIMUM.—No State shall receive less than one-quarter percent of the amounts available for allotment to the States under this section from the remainder described in paragraph (2) for each fiscal year.

"(B) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) ALLOTMENT PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (B), the allotment percentage of a State for a fiscal year shall be the percentage of funds allotted to the State under this section.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (B), the allotment percentage of a State for fiscal year 1992 shall be the percentage of funds allotted to the State under section 201, as in effect on the date before the date of enactment of the Job Training Reform Amendments of 1992.

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—The Governor shall, in accordance with section 162, allocate 82 percent of the allotment of the State under subsection (a) for each fiscal year among service delivery areas within the State, and shall ensure that, subject to the provisions of paragraph (3), of the amount allocated under this subsection—

"(A) 33 1/3 percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

"(B) 33 1/3 percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State; and

"(C) 33 1/3 percent shall be allocated on the basis of the relative number of economically disadvantaged youth within each service delivery area compared to the total number of economically disadvantaged youth in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the 2 preceding fiscal years preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a)(1) for a fiscal year and available to carry out

the percentage of funds allocated to the service delivery area under part A of title II.

**"(c) STATE ACTIVITIES.—**

**"(1) DIVISION.—**Of the remaining 18 percent of the allotment of the State under subsection (a) for each fiscal year—

**"(A)** 5 percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

**"(B)** 5 percent of such allotment of each State for each fiscal year shall be available to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (2); and

**"(C)** 8 percent of the allotment of each State for each fiscal year shall be available to carry out section 123.

**"(2) OTHER USES.—**

**"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—**The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

**"(B) NONDUPLICATION AND COORDINATION.—**Funds used under subparagraph (A)—

**"(i)** may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

**"(ii)** shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

**"(d) DEFINITIONS AND RULE.—**As used in this section:

**"(1) DEFINITIONS.—**

**"(A) ECONOMICALLY DISADVANTAGED YOUTH.—**The term 'economically disadvantaged youth' means an individual who is age 16 through 21 and who has, or is a member of a family that has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, was not in excess of the higher of—

**"(i)** the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

**"(ii)** 70 percent of the lower living standard income level.

**"(B) EXCESS NUMBER.—**The term 'excess number' means—

**"(i)** with respect to the excess number of unemployed individuals within a State—

**"(I)** the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

**"(II)** the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

**"(ii)** with respect to the excess number of unemployed individuals within a service delivery area—

**"(I)** the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area; or

**"(II)** the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

**"(C) STATE.—**The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

**"(2) SPECIAL RULE.—**For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged youth."

**(2) EFFECTIVE DATE.—**Any amendment made by paragraph (1) shall take effect on July 1, 1993.

**(g) PERMANENT TRAINING SERVICES FORMULA.—**

(1) LEVEL OF FUNDING.—If title II of the Job Training Partnership Act is amended in accordance with subsection (f) and the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for a fiscal year is not less than the sum of—

(A) \$25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 207 of this Act shall take effect.

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on October 1 of the fiscal year described in paragraph (1).

(h) EVALUATION.—The Secretary of Labor shall evaluate the impact of programs under title II of the Job Training Partnership Act on participant employment, earnings and welfare dependency in multiple sites, using the random assignment of individuals to groups receiving services under programs authorized under the Job Training Reform Amendments of 1992 to groups not receiving such services.

(i) RULES AND PROCEDURES.—

(1) IN GENERAL.—The Secretary of Labor may establish such rules and procedures as may be necessary to provide for an orderly implementation of the amendments made by this Act.

(2) REVIEW.—The Secretary of Labor, the Governors, and the service delivery areas shall conduct a comprehensive review of the current policies, practices, procedures, and delivery systems relating to programs authorized under the Job Training Partnership Act for the purpose of ensuring the effective implementation of the amendments made by this Act. Such review shall include consideration of the appropriateness of current service delivery area designations, the representativeness of current State and local councils, the adequacy of current administrative systems, the effectiveness of current outreach, service delivery, and coordination activities, and other relevant matters.

(j) IMPLEMENTING REGULATIONS.—The Secretary of Labor shall issue final regulations relating to the implementation of the amendments made by this Act not later than December 18, 1992.

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### TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

#### DEFINITIONS

SEC. 301. (a) DISLOCATED WORKERS.—(1) For purposes of this title, the term “eligible dislocated workers” means individuals who—

(A) have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

(B) have been terminated or have received a notice of termination of employment, as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise;

(C) are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including older individuals who may have substantial barriers to employment by reason of age; or

(D) were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to regulations prescribed by the Secretary.

(2) For purposes of this title, the term "additional dislocated worker" means a displaced homemaker as that term is defined in section 4(29) of this Act.

(3) The Secretary shall establish categories of self-employed individuals and of economic conditions and natural disasters to which paragraph (1)(D) applies.

(b) ADDITIONAL DEFINITIONS.—For the purposes of this title—

(1) The term "labor-management committees" means committees voluntarily established to respond to actual or prospective worker dislocation, which ordinarily include (but are not limited to) the following—

(A) shared and equal participation by workers and management;

(B) shared financial participation between the company and the State, using funds provided under this title, in paying for the operating expenses of the committee;

(C) a chairperson, to oversee and guide the activities of the committee, (i) who shall be jointly selected by the labor and management members of the committee, (ii) who is not employed by or under contract with labor or management at the site, and (iii) who shall provide advice and leadership to the committee and prepare a report on its activities;

(D) the ability to respond flexibly to the needs of affected workers by devising and implementing a strategy for assessing the employment and training needs of each dislocated worker and for obtaining the services and assistance necessary to meet those needs;

(E) a formal agreement, terminable at will by the workers or the company management, and terminable for cause by the Governor; and

(F) local job identification activities by the chairman and members of the committee on behalf of the affected workers.

(2) The term "local elected official" means the chief elected executive officer of a unit of general local government in a sub-state area.

(3) The term "service provider" means a public agency, private nonprofit organization, or private-for-profit entity that delivers educational, training, or employment services.

(4) The term "substate area" means that geographic area in a State established pursuant to section 312(a).

(5) The term "substate grantee" means that agency or organization selected to administer programs pursuant to section 312(b).

(6) The term "State" means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(29 U.S.C. 1651) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1364; amended October 16, 1986, P.L. 99-496, sec. 10, 100 Stat. 1264; amended August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1524-1525.



## ALLOTMENT

SEC. 302. (a) ALLOTMENT OF FUNDS.—From the funds appropriated pursuant to section 3(b) for any fiscal year, the Secretary shall—

(1) allot 80 percent of such funds in accordance with the provisions of subsection (b); and

(2) reserve 20 percent for use under part B of this title subject to the reservation required by subsection (e) of this section.

(b) ALLOTMENT AMONG STATES.—(1) Subject to the provision of paragraph (2), the Secretary shall allot the amount available in each fiscal year under subsection (a)(1) on the basis of the following factors:

(A) One-third of such amount shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all the States.

(B) One-third of such amount shall be allotted among the States on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States. For purposes of this paragraph, the term "excess number" means the number which represents unemployed individuals in excess of 4.5 percent of the civilian labor force in the State.

(C) One-third of such amount shall be allotted among the States on the basis of the relative number of individuals who have been unemployed for 15 weeks or more and who reside in each State as compared to the total number of such individuals in all the States.

(2) As soon as satisfactory data are available under section 462(e) of this Act, the Secretary shall allot amounts appropriate to carry out part A for any fiscal year to each State so that—

(A) 25 percent of such amount shall be allotted on the basis of each of the factors described in subparagraphs (A), (B) and (C) of paragraph (1), respectively, for a total of 75 percent of the amount allotted; and

(B) 25 percent of such amount shall be allotted among the States on the basis of the relative number of dislocated workers in such State in the most recent period for which satisfactory data are available under section 462(e) and, when available, under section 462(f) of this Act.

(c) RESERVATIONS FOR STATE ACTIVITIES AND FOR SUBSTAT GRANTEES IN NEED.—(1) The Governor may reserve not more than 40 percent of the amount allotted to the State under section 302(a)(1) for—

(A) State administration, technical assistance, and coordination of the programs authorized under this title;

(B) statewide, regional, or industrywide projects;

(C) rapid response activities as described in section 314(b)

(D) establishment of coordination between the unemployment compensation system and the worker adjustment program system; and

(E) discretionary allocation for basic readjustment and retraining services to provide additional assistance to areas that experience substantial increases in the number of dislocated workers, to be expended in accordance with the substate plan or modification thereof.

(2) In addition, the Governor may reserve not more than 10 percent of the amount allotted to the State under section 302(a)(1) for allocation among substate grantees. The amount so reserved shall be allocated on the basis of need and distributed to such grantees not later than 9 months after the beginning of the program year for which the allotment was made.

(d) WITHIN STATE DISTRIBUTION.—The Governor shall allocate the remainder of the amount allotted to the State under this part to substate areas for services authorized in this part, based on an allocation formula prescribed by the Governor. Such formula may be amended by the Governor not more than once for each program year. Such formula shall utilize the most appropriate information available to the Governor to distribute amounts to address the State's worker readjustment assistance needs. Such information shall include (but is not limited to)—

- (1) insured unemployment data;
- (2) unemployment concentrations;
- (3) plant closing and mass layoff data;
- (4) declining industries data;
- (5) farmer-rancher economic hardship data; and
- (6) long-term unemployment data.

(e) RESERVATION FOR THE TERRITORIES.—Not more than 0.3 percent of the amounts appropriated pursuant to section 3(b) and available under subsection (a)(2) of this section for any fiscal year shall be allocated among the Commonwealth of the Northern Mariana Islands and the other territories and possessions of the United States.

(29 U.S.C. 1652) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1365, amended October 16, 1986, P.L. 99-496, sec. 11 (a), (b), 100 Stat. 1264; amended August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1525-1526; amended September 7, 1992, P.L. 102-367, secs. 102(b), 702(a)(11), 106 Stat. 1024, 1112.

#### RECAPTURE AND REALLOTMENT OF UNEXPENDED FUNDS

SEC. 303. (a) GENERAL REALLOTMENT AUTHORITY.—For program years beginning July 1, 1989, and thereafter, the Secretary shall, in accordance with the requirements of this section, reallocate to eligible States the funds allotted to States from funds appropriated for such program year that are available for reallocation.

(b) AMOUNT AVAILABLE FOR REALLOTMENT.—The amount available for reallocation is equal to—

- (1) the amount by which the unexpended balance of the State allotment at the end of the program year prior to the program year for which the determination under this section is

made exceeds 20 percent<sup>1</sup> of such allotment for that prior program year; plus

(2) the unexpended balance of the State allotment from any program year prior to the program year in which there is such excess.

(c) METHOD OF REALLOTMENT.—(1) The Secretary shall determine the amount that would be allotted to each eligible State by using the factors described in section 302(b) to allocate among eligible States the amount available pursuant to subsection (b) of this section.

(2) The Secretary shall allot to each eligible high unemployment State the amount determined for that State under the procedure in paragraph (1) of this subsection.

(3) The Secretary shall, by using the factors described in section 302(b), allot to eligible States the amount available that remains after the allotment required by paragraph (2) of this subsection.

(d) STATE PROCEDURES WITH RESPECT TO REALLOTMENT.—The Governor of each State shall prescribe uniform procedures for the expenditure of funds by substate grantees in order to avoid the requirement that funds be made available for reallocation under subsection (b). The Governor shall further prescribe equitable procedures for making funds available from the State and substate grantees in the event that a State is required to make funds available for reallocation under such subsection.

(e) DEFINITIONS.—(1) For the purpose of this section, an eligible State means a State which has expended at least 80 percent of its allotment for the program year prior to the program year for which the determination under this section is made.

(2) For the purpose of this section, an eligible high unemployment State means a State—

(A) which meets the requirement in subsection (c)(1), and

(B) which is among the States which has an unemployment rate greater than the national average unemployment for the most recent 12 months for which satisfactory data are available.

(3) For purposes of this section, funds awarded from discretionary funds of the Secretary shall not be included in calculating any of the reallocations described in this section.

(29 U.S.C. 1653) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1366; amended August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1527.

## PART A—STATE DELIVERY OF SERVICES

### STATE PLAN

SEC. 311. (a) STATE PLAN REQUIRED.—In order to receive an allotment of funds under section 302(b), the Governor of a State shall

<sup>1</sup> Section 6305(e) of Public Law 100-418 provides as follows:

(e) LIMITATION ON CARRY-OVER OF FUNDS.—The provisions of section 303 of such Act (as amended) shall apply to the program year beginning July 1, 1988, except that, for such program year—

(1) subsection (b)(1) of such section shall be applied by substituting "30 percent" for "20 percent"; and

(2) subsection (e) of such section shall be applied by substituting "70 percent" for "80 percent".

submit to the Secretary, on a biennial basis, a State plan describing in detail the programs and activities that will be assisted with funds provided under this title. The State plan shall be submitted on or before the first day of May immediately preceding the program year for which funds are first to be made available under this title. Such plan shall include incentives to provide training of greater duration for those who require it, consistent with section 106(c).

(b) CONTENTS OF PLAN.—Each State plan shall contain provisions demonstrating to the satisfaction of the Secretary that the State will comply with the requirements of this title and that—

(1) services under this title—

(A) will, except as provided in paragraph (4), only be provided to eligible dislocated workers;

(B) will not be denied to an eligible dislocated worker displaced by a permanent closure or substantial layoff within the State, regardless of the State of residence of such worker; and

(C) may be provided to other eligible dislocated workers regardless of the State of residence of such worker;

(2) the State will designate or create an identifiable State dislocated worker unit or office with the capability to respond rapidly, on site, to permanent closures and substantial layoffs throughout the State in order to assess the need for, and initially to provide for, appropriate basic readjustment services;

(3) the State unit will—

(A) make appropriate retraining and basic readjustment services available to eligible dislocated workers through the use of rapid response teams, substate grantees, and other appropriate organizations;

(B) work with employers and labor organizations in promoting labor-management cooperation to achieve the goals of this title;

(C) operate a monitoring, reporting, and management system which provides an adequate information base for effective program management, review, and evaluation; and

(D) provide technical assistance and advice to substate grantees, including immediate notification to substate grantees of current or projected permanent closures or substantial layoffs in the substate area of such grantee to continue and expand the services initiated by the rapid response teams;

(4) the State will provide to additional dislocated workers (as defined in section 301(a)(2)) the services available under this title to eligible dislocated workers only if the Governor of such State determines that such services may be provided to additional dislocated workers without adversely affecting the delivery of such services to eligible dislocated workers;

(5) the State unit will exchange information and coordinate programs with—

(A) the appropriate economic development agency, for the purpose of developing strategies to avert plant closings

or mass layoffs and to accelerate the reemployment of affected individuals;

(B) State education, training, and social services programs; and

(C) all other programs available to assist dislocated workers (including the Job Service and the unemployment insurance system);

(6) the State unit will disseminate throughout the State information on the availability of services and activities under this title;

(7) any program conducted with funds made available under this title which will provide services to a substantial number of members of a labor organization will be established only after full consultation with such labor organization;

(8) the State will not prescribe any standard for the operation of programs under this part that is inconsistent with section 106(c);

(9) the State job training coordinating council has reviewed and commented in writing on the plan;

(10) the delivery of services with funds made available under this title will be integrated or coordinated with services or payments made available under chapter 2 of title II of the Trade Act of 1974 and provided by any State or local agency designated under section 239 of the Trade Act of 1974;

(11) the State unit will provide the Secretary with a cost breakdown of all funds made available under this title used by such unit for administrative expenditures; and

(12) the State will not transfer the responsibility for the rapid response assistance functions of the State unit under section 314(b) to another entity, but the State may contract with another entity to perform rapid response assistance services.

(c) REVIEW AND APPROVAL OF STATE PLANS.—The Secretary shall review any plan submitted under subsection (a), and any comments thereon submitted by the State job training coordinating council pursuant to subsection (b)(9), and shall notify a State as to any deficiencies in such plan within 30 days after submission. Unless a State has been so notified, the Secretary shall approve the plan within 45 days after submission. The Secretary shall not disapprove the plan of any State except after notice and opportunity for a hearing.

(d) MODIFICATIONS.—Any plan submitted under subsection (a) may be modified to describe changes in or additions to the programs and activities set forth in the plan, except that no such modification shall be effective unless reviewed and approved in accordance with subsection (c).

(e) COMPLAINT, INVESTIGATION, PENALTY.—(1) Whenever the Secretary receives a complaint or a report from an aggrieved party or a public official that a State is not complying with the provisions of the State plan required by this section, the Secretary shall investigate such report or complaint.

(2)(A) Whenever the Secretary determines that there has been such a failure to comply and that other remedies under this Act are not available or are not adequate to achieve compliance, the Secretary may withhold an amount not to exceed 10 percent of the

lotment of the State for the fiscal year in which the determination is made for each such violation.

(B) No determination may be made under this paragraph until the State affected is afforded adequate notice and opportunity for a hearing.

(f) SPECIAL RULE.—The provisions of sections 102(h) and 105(d), relating to cases in which a service delivery area is a State, shall apply to this title.

(29 U.S.C. 1661) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1527-1529; amended September 7, 1992, P.L. 102-367, secs. 115(b), 702(a)(12), 106 Stat. 1034, 1112; amended October 23, 1992, P.L. 102-484, sec. 4467(a), 106 Stat. 2750.

#### SUBSTATE GRANTEES

SEC. 312. (a) DESIGNATION OF SUBSTATE AREAS.—(1) The Governor of each State shall, after receiving any recommendations from the State job training coordinating council, designate substate areas for the State.

(2) Each service delivery area within a State shall be included within a substate area and no service delivery area shall be divided among two or more substate areas.

(3) In making designations of substate areas, the Governor shall consider—

(A) the availability of services throughout the State;

(B) the capability to coordinate the delivery of services with other human services and economic development programs; and

(C) the geographic boundaries of labor market areas within the State.

(4) Subject to paragraphs (2) and (3), the Governor—

(A) shall designate as a substate area any single service delivery area that has a population of 200,000 or more;

(B) shall designate as a substate area any two or more contiguous service delivery areas—

(i) that in the aggregate have a population of 200,000 or more; and

(ii) that request such designation; and

(C) shall designate as a substate area any concentrated employment program grantee for a rural area described in section 101(a)(4)(A)(iii) of this Act.

(5) The Governor may deny a request for designation under paragraph (4)(B) if the Governor determines that such designation would not be consistent with the effective delivery of services to eligible dislocated workers in various labor market areas (including urban and rural areas) within the State, or would not otherwise be appropriate to carry out the purposes of this title.

(6) The designations made under this section may not be revised more than once each two years, in accordance with the requirements of this section.

(b) DESIGNATION OF SUBSTATE GRANTEES.—A substate grantee shall be designated, on a biennial basis, for each substate area. Such substate grantee shall be designated in accordance with an agreement among the Governor, the local elected official or officials of such area, and the private industry council or councils of such

area. Whenever a substate area is represented by more than one such official or council, the respective officials and councils shall each designate representatives, in accordance with procedures established by the Governor (after consultation with the State job training coordinating council), to negotiate such agreement. In the event agreement cannot be reached on the selection of a substate grantee, the Governor shall select the substate grantee.

(c) **ELIGIBILITY.**—Entities eligible for designation as substate grantees include—

- (1) private industry councils in the substate area;
- (2) service delivery area grant recipients or administrative entities;
- (3) private nonprofit organizations;
- (4) units of general local government in the substate area, or agencies thereof;
- (5) local offices of State agencies; and
- (6) other public agencies, such as community colleges and area vocational schools.

(d) **FUNCTIONS OF SUBSTATE GRANTEEES.**—The substate grantees shall be responsible for providing, within such substate area, services described in section 314 (c), (d), and (e) pursuant to an agreement with the Governor and in accordance with the State plan under section 311 and the substate plan under section 313. The substate grantee may provide such services directly or through contract, grant, or agreement with service providers.

(e) **APPLICABILITY OF GENERAL ADMINISTRATIVE PROVISIONS TO SUBSTATE GRANTEEES.**—The requirements of parts C and D of title I of this Act that apply to an administrative entity or a recipient of financial assistance under this Act shall also apply to substate grantees under this title.

(29 U.S.C. 1661a) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1529-1531.

#### SUBSTATE PLAN

**SEC. 313. (a) GENERAL RULE.**—No amounts appropriated for any fiscal year may be provided to a substate grantee unless the Governor (after considering the recommendations of the State job training coordinating council) has approved a substate plan, or modification thereof, submitted by the substate grantee describing the manner in which activities will be conducted within the substate area. Prior to the submission to the Governor, the plan shall be submitted for review and comment to the other parties to the agreement described in section 312(b).

(b) **CONTENTS OF SUBSTATE PLAN.**—The substate plan shall contain a statement of—

- (1) the means for delivering services described in section 314 to eligible dislocated workers;
- (2) the means to be used to identify, select, and verify the eligibility of program participants;
- (3) the means for implementing the requirements of section 314(f);
- (4) the means for involving labor organizations in the development and implementation of services;

(5) the performance goals to be achieved consistent with the performance goals contained in the State plan pursuant to section 311(b)(8);

(6) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

(7) a description of the methods by which the substate grantee will respond expeditiously to worker dislocation where the rapid response assistance required by section 314(b) is inappropriate, including worker dislocation in sparsely populated areas, which methods may include (but are not limited to)—

(A) development and delivery of widespread outreach mechanisms;

(B) provision of financial evaluation and counseling (where appropriate) to assist in determining eligibility for services and the type of services needed;

(C) initial assessment and referral for further basic adjustment and training services; and

(D) establishment of regional centers for the purpose of providing such outreach, assessment, and early readjustment assistance;

(8) a description of the methods by which the other parties to the agreement described in section 312(b) may be involved in activities of the substate grantee;

(9) a description of training services to be provided, including—

(A) procedures to assess participants' current education skill levels and occupational abilities;

(B) procedures to assess participants' needs, including educational, training, employment, and social services;

(C) methods for allocating resources to provide the services recommended by rapid response teams for eligible dislocated workers within the substate area; and

(D) a description of services and activities to be provided in the substate area;

(10) the means whereby coordination with other appropriate programs, services, and systems will be affected, particularly where such coordination is intended to provide access to the services of such other systems for program participants at no cost to the worker readjustment program; and

(11) a detailed budget, as required by the State.

(c) **PLAN APPROVAL.**—The Governor shall approve or disapprove the plan of a substate grantee in the manner required by section 105(b) (1), (2), and (3). If a substate grantee fails to submit a plan, or submits a plan that is not approved by the Governor in accordance with such section, the Governor may direct the expenditure of funds allocated to the substate area until such time as a plan is submitted and approved or a new substate grantee is designated under section 312.

(d) **BY-PASS AUTHORITY.**—If a substate grantee fails to expend funds allocated to it in accordance with its plan, the Governor may, subject to appropriate notice and opportunity for comment in the



manner required by section 105(b) (1), (2), and (3), direct the expenditure of funds in accordance with the substate plan until—

- (1) the substate grantee corrects the failure,
- (2) the substate grantee submits an acceptable modification to its plan pursuant to subsection (a), or
- (3) a new substate grantee is designated under section 312.

(29 U.S.C. 1661b) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat 1531-1532.

#### USE OF FUNDS; SERVICES TO BE PROVIDED

SEC. 314. (a) IN GENERAL.—Funds allotted under section 302 may be used—

- (1) to provide rapid response assistance in accordance with subsection (b);
- (2) to deliver, coordinate, and integrate basic readjustment services and support services in accordance with subsection (c);
- (3) to provide retraining services in accordance with subsection (d);
- (4) to provide needs-related payments in accordance with subsection (e); and
- (5) to provide for coordination with the unemployment compensation system in accordance with subsection (f).

(b) RAPID RESPONSE ASSISTANCE.—(1) The dislocated worker unit required by section 311(b)(2) shall include specialists who may use funds available under this title—

(A) to establish on-site contact with employer and employee representatives within a short period of time (preferably 48 hours or less) after becoming aware of a current or projected permanent closure or substantial layoff in order to—

- (i) provide information on and facilitate access to available public programs and services; and
- (ii) provide emergency assistance adapted to the particular closure or layoff;

(B) to promote the formation of labor-management committees, by providing—

(i) immediate assistance in the establishment of the labor-management committee, including providing immediate financial assistance to cover the start-up costs of the committee;

(ii) a list of individuals from which the chairperson of the committee may be selected;

(iii) technical advice as well as information on sources of assistance, and liaison with other public and private services and programs; and

(iv) assistance in the selection of worker representatives in the event no union is present;

(C) to collect information related to—

(i) economic dislocation (including potential closings or layoffs); and

(ii) all available resources within the State for displaced workers,

which information shall be made available on a regular basis to the Governor and the State job training coordinating council

to assist in providing an adequate information base for effective program management, review, and evaluation;

(D) to provide or obtain appropriate financial and technical advice and liaison with economic development agencies and other organizations to assist in efforts to avert worker dislocations;

(E) to disseminate information throughout the State on the availability of services and activities carried out by the dislocated worker unit or office; and

(F) to assist the local community in developing its own coordinated response and in obtaining access to State economic development assistance.

(2) In a situation involving an impending permanent closure or substantial layoff, a State may provide funds, where other public or private resources are not expeditiously available, for a preliminary assessment of the advisability of conducting a comprehensive study exploring the feasibility of having a company or group, including the workers, purchase the plant and continue it in operation.

(3)<sup>1</sup> The Secretary shall oversee the administration by each State of the rapid response assistance services provided in such State and the effectiveness, efficiency, and timeliness of the delivery of such services. If the Secretary determines that such services are not being performed adequately, the Secretary shall implement appropriate corrective action, including, where necessary, the selection of a new rapid response assistance service provider.

(4)<sup>1</sup> For purposes of rapid response assistance provided by a State dislocated worker unit, the term "substantial layoff" means a layoff of 50 or more individuals.

(c) BASIC READJUSTMENT SERVICES.—Funds allotted under section 302 may be used to provide basic readjustment services to eligible dislocated workers. Subject to limitations set forth in subsection (e) and section 315(a), the services may include (but are not limited to)—

(1) development of individual readjustment plans for participants in programs under this title;

(2) outreach and intake;

(3) early readjustment assistance;

(4) job or career counseling;

(5) testing;

(6) orientation;

(7) assessment, including evaluation of educational attainment and participant interests and aptitudes;

(8) determination of occupational skills;

(9) provision of future world-of-work and occupational information;

(10) job placement assistance;

(11) labor market information;

(12) job clubs;

(13) job search;

(14) job development;

<sup>1</sup> So in original. Margin is incorrect.

(15) supportive services, including child care, commutational assistance, and financial and personal counseling which shall terminate not later than the 90th day after the participant has completed other services under this part, except that counseling necessary to assist participants to retain employment shall terminate not later than 6 months following the completion of training;

(16) prelayoff assistance;

(17) relocation assistance; and

(18) programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of closures of plants or facilities.

(d) RETRAINING SERVICES.—(1) Funds allotted under section 302 may be used to provide training services under this part to eligible dislocated workers. Such services may include (but are not limited to)—

(A) classroom training;

(B) occupational skill training;

(C) on-the-job training;

(D) out-of-area job search;

(E) relocation;

(F) basic and remedial education;

(G) literacy and English for non-English speakers training;

(H) entrepreneurial training; and

(I) other appropriate training activities directly related to appropriate employment opportunities in the substate area.

(2) No funds under this part may be expended to provide wages for public service employment.

(e) NEEDS-RELATED PAYMENTS.—(1) Funds allocated to a substate grantee under section 302(d) may be used pursuant to a substate plan under section 313 to provide needs-related payments to an eligible dislocated worker who is unemployed and does not qualify or has ceased to qualify for unemployment compensation, in order to enable such worker to participate in training or educational programs under this title. To be eligible for such payments, an eligible dislocated worker who has ceased to qualify for unemployment compensation must have been enrolled in training by the end of the 13th week of the worker's initial unemployment compensation benefit period, or, if later, the end of the 8th week after an employee is informed that a short-term layoff will in fact exceed 6 months.

(2) The level of needs-related payments shall be made available at a level not greater than the higher of—

(A) the applicable level of unemployment compensation; or

(B) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

(f) COORDINATION WITH UNEMPLOYMENT COMPENSATION.—(1) Funds allocated to a State under section 302 may be used for coordination of worker readjustment programs and the unemployment compensation system, consistent with the limitation on administrative expenses in section 315. Each State shall be responsible for coordinating the unemployment compensation system and worker readjustment programs within such State.

(2) An eligible dislocated worker participating in training (except for on-the-job training) under this title shall be deemed to be in training with the approval of the State agency for purposes of section 3304(a)(8) of the Internal Revenue Code of 1986.

(g) JOINT FUNDING.—(1) Funds allotted under section 302 may be used to provide additional funds under an applicable program if—

(A) such program otherwise meets the requirements of this Act and the requirements of the applicable program;

(B) such program serves the same individuals that are served under this title;

(C) such program provides services in a coordinated manner with services provided under this title; and

(D) such funds would be used to supplement, and not supplant, funds provided from non-Federal sources.

(2) For purposes of this subsection, the term “applicable program” means any program under any of the following provisions of law:

(A) The Carl D. Perkins Vocational and Applied Technology Education Act.

(B) The Wagner-Peyser Act.

(h) CLARIFICATION OF DEFINITION OF ELIGIBLE DISLOCATED WORKERS FOR CERTAIN SERVICES.—(1) The term “eligible dislocated workers” includes individuals who have not received specific notice of termination or lay off and work at a facility at which the employer has made a public announcement that such facility will close (except those individuals likely to remain employed with the same employer or likely to retire instead of seeking new employment)—

(A) with respect to basic readjustment services provided under paragraphs (1) through (14), (16), and (18) of subsection (c); and

(B) with respect to services provided under this section beginning 180 days before the date on which the facility is scheduled to close.

(2) Services described in paragraph (1)(A) and provided to the individuals described in paragraph (1) shall, to the extent practicable, be funded under section 302(c)(1).

(29 U.S.C. 1661c) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1632-1634; amended September 25, 1990, P.L. 101-392, sec. 5(a)(3); amended September 7, 1992, P.L. 102-367, sec. 301, 106 Stat. 1073; amended October 23, 1992, P.L. 102-484, sec. 4467(b)-(d), 106 Stat. 2750.

#### LIMITATIONS ON USES OF FUNDS

SEC. 315. (a) RETRAINING SERVICES.—(1) Of the funds allocated to a substate grantee under part A of this title for any program year, not less than 50 percent shall be expended for retraining services specified under section 314(d).

(2) A substate grantee may apply to the Governor for a waiver of the requirement in paragraph (1). Such waiver may not permit less than 30 percent of the funds to be spent for such retraining services. The waiver may be granted in whole or in part if the substate grantee demonstrates that the worker readjustment program in the area will be consistent with the principle that dislocated workers be prepared for occupations or industries with long-term

potential. The Governor shall prescribe criteria for the demonstration required by the previous sentence.

(3) An application for such a waiver shall be submitted at such time and in such form as the Governor may prescribe. The Governor shall provide an opportunity for public comment on the application.

(b) Of the funds allocated to a substate grantee or to the Governor under part A of this title for any program year, not more than 25 percent may be expended to provide needs-related payments and other supportive services.

(c) ADMINISTRATIVE COST LIMITATION.—Of the funds allocated to a substate grantee or to the Governor under part A of this title for any program year, not more than 15 percent may be expended to cover the administrative cost of programs. For purposes of this subsection, administrative cost does not include the cost of activities under section 314(b).

(d) COMBINATION OF FUNDS.—Substate grantees within a State may combine funds under this title for the provision of services to eligible dislocated workers from 2 or more substate areas.

(e) DEFINITION.—As used in this section, the term "allocated", means allocated for a program year, as adjusted for reallocations between substate areas, and for reallocations in accordance with section 303.

(29 U.S.C. 1661d) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1535; amended September 7, 1992, P.L. 102-367, sec. 302, 106 Stat. 1073.

#### RETRAINING SERVICES AVAILABILITY

SEC. 316. (a) ALTERNATIVE METHODS OF PROVIDING RETRAINING SERVICES.—A substate grantee may provide retraining services described in section 314(d) to an eligible dislocated worker—

(1) by beginning such services promptly upon the worker's application for the program under this title;

(2) by deferring the beginning of such services and providing the worker with a certificate of continuing eligibility in accordance with subsection (b) (1) and (2); or

(3) by permitting the worker to obtain such services from a service provider using such certificate in accordance with subsection (b)(3).

(b) CERTIFICATION OF CONTINUING ELIGIBILITY.—(1) A substate grantee may issue to any eligible dislocated worker who has applied for the program authorized in this part a certificate of continuing eligibility. Such a certificate of continuing eligibility may be effective for periods not to exceed 104 weeks. No such certificate shall include any reference to any specific amount of funds. Any such certificate shall state that it is subject to the availability of funds at the time that any such training services are to be provided. Acceptance of such a certificate shall not be deemed to be enrollment in training.

(2) Any individual to whom a certificate of continuing eligi-

(3) A substate grantee may provide training services through systems that permit eligible dislocated workers to use certificates of continuing eligibility to seek out and arrange their own retraining with service providers approved by that substate grantee. Retraining provided pursuant to the certificate shall be conducted under a grant, contract, or other arrangement between the substate grantee and the service provider.

(29 U.S.C. 1661e) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1535-1536.

#### FUNCTIONS OF STATE JOB TRAINING COORDINATING COUNCIL

SEC. 317. For purposes of this title, the State job training coordinating council shall—

(1) provide advice to the Governor regarding the use of funds under this title, including advice on—

(A) the designation of substate areas and substate grantees, and the procedures for the selection of representatives within such areas under section 312; and

(B) the methods for allocation and reallocation of funds, including the method for distribution of funds reserved under section 302(c)(2) and funds subject to reallocation under section 303(d);

(2) submit comments to the Governor and the Secretary on the basis of review of the State and substate programs under this title;

(3) review, and submit written comments on, the State plan (and any modification thereof) before its submission under section 311;

(4) review, and submit written comments on, each substate plan submitted to the Governor under section 313; and

(5) provide advice to the Governor regarding performance standards.

(29 U.S.C. 1661f) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1536.

#### PART B—FEDERAL RESPONSIBILITIES

##### FEDERAL ADMINISTRATION

SEC. 321. (a) STANDARDS.—The Secretary shall promulgate standards for the conduct and evaluation of programs under this title.

(b) BY-PASS AUTHORITY.—In the event that any State fails to submit a plan that is approved under section 311, the Secretary shall use the amount that would be allotted to that State to provide for the delivery in that State of the programs, activities, and services authorized by this title until the State plan is submitted and approved under that section.

(29 U.S.C. 1662) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1536.

##### FEDERAL DELIVERY OF DISLOCATED WORKER SERVICES

SEC. 322. (a) GENERAL AUTHORITY.—The Secretary shall, with respect to programs required by this title—

(1) distribute funds to States in accordance with the requirements of section 302,

(2) provide funds to exemplary and demonstration programs on plant closings and worker dislocation;

(3) otherwise allocate discretionary funds to projects serving workers affected by multi-State or industry-wide dislocations and to areas of special need in a manner that efficiently targets resources to areas of most need, encourages a rapid response to economic dislocations, and promotes the effective use of funds;

(4) monitor performance and expenditures and annually certify compliance with standards prescribed by the Secretary under section 106(c);

(5) conduct research and serve as a national clearinghouse for gathering and disseminating information on plant closings and worker dislocation; and

(6) provide technical assistance and staff training services to States, communities, businesses, and unions, as appropriate.

(b) ADMINISTRATIVE PROVISIONS.—The Secretary shall designate or create an identifiable dislocated workers unit or office to coordinate the functions of the Secretary under this title.

(29 U.S.C 1662a) Enacted August 23, 1988, P L 100-418, sec 6302, 102 Stat 1536-1537; amended September 7, 1992, P L. 102-367, sec 115(b), 106 Stat. 1034

#### ALLOWABLE ACTIVITIES

SEC. 323. (a) CIRCUMSTANCES AND ACTIVITIES FOR USE OF FUNDS.—Amounts reserved for this part under section 302(a)(2) may be used to provide services of the type described in section 314 in the following circumstances:

(1) mass layoffs, including mass layoffs caused by natural disasters or Federal actions (such as relocations of Federal facilities) when the workers are not expected to return to their previous occupations;

(2) industrywide projects;

(3) multistate projects;

(4) special projects carried out through agreements with Indian tribal entities;

(5) special projects to address national or regional concerns;

(6) demonstration projects, including the projects described in section 324;

(7) to provide additional financial assistance to programs and activities provided by States and substate grantees under part A of this title; and

(8) to provide additional assistance under proposals for financial assistance that are submitted to the Secretary and approved by the Secretary after consultation with the Governor of the State in which the project is to operate.

(b) USE OF FUNDS IN EMERGENCIES.—Amounts reserved for this part under section 302(a)(2) may also be used to provide services of the type described in section 314 whenever the Secretary (with agreement of the Governor) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area to provide emergency financial assistance

to dislocated workers. The Secretary may make arrangements for the immediate provision of such emergency financial assistance for the purposes of this section with any necessary supportive documentation to be submitted at a date agreed to by the Governor and the Secretary.

(c) **STAFF TRAINING AND TECHNICAL ASSISTANCE.**—(1) Amounts reserved for this part under section 302(a)(2) may be used to provide staff training and technical assistance services to States, communities, businesses and labor organizations, and other entities involved in providing adjustment assistance to workers. Applications for technical assistance funds shall be submitted in accordance with procedures issued by the Secretary.

(2) Not more than 5 percent of the funds reserved for this part in any fiscal year shall be used for the purpose of this subsection.

(d) **TRAINING OF RAPID RESPONSE STAFFS.**—Amounts reserved for this part under section 302(a)(2) shall be used to provide training of staff, including specialists, providing rapid response services. Such training shall include instruction in proven methods of promoting, establishing, and assisting labor-management committees.

(29 U.S.C. 1662b) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1537-1538.

#### DEMONSTRATION PROGRAMS

**SEC. 324. (a) AUTHORIZED PROGRAMS.**—From the amount reserved for this part under section 302(a)(2) for the fiscal years 1992 through 1996, not less than 10 percent of such amount shall be used for demonstration programs. Such demonstration programs may be up to three years in length, and shall include (but need not be limited to) at least two of the following demonstration programs:

- (1) self-employment opportunity demonstration program;
- (2) public works employment demonstration program;
- (3) dislocated farmer demonstration program; and
- (4) job creation demonstration program.

(b) **EVALUATION AND REPORT.**—The Secretary shall conduct or provide for an evaluation of the success of each demonstration program, and shall prepare and submit to the Congress a report of the evaluation not later than October 1, 1992, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.

(29 U.S.C. 1662c) Enacted August 23, 1988, P.L. 100-418, sec. 6302, 102 Stat. 1538; amended September 7, 1992, P.L. 102-367, sec. 303, 106 Stat. 1074.

#### DEFENSE CONVERSION ADJUSTMENT PROGRAM

**SEC. 325. (a) IN GENERAL.**—From the amount appropriated pursuant to section 4203 of the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990, the Secretary may make grants to States, substate grantees, employers, employer associations, and representatives of employees to provide training, adjustment assistance, and employment services to eligible employees adversely affected by reductions in expenditures by the United States for defense or by closures of United States military facilities. For purposes of this section, an eligible employee is an eligible dislocated worker as defined in section 301(a) who has



been terminated or laid off, or has received a notice of termination or lay off, as a consequence of reductions in expenditures by the United States for defense or by closures of United States military facilities as determined in accordance with regulations of the Secretary.

(b) APPLICATION.—In reviewing applications for grants under subsection (a), the Secretary shall give priority to applications from areas which have the greatest number of eligible employees.

(c) USE OF FUNDS.—Grants under subsection (a) may be used for any purpose for which funds may be used under section 314 or this part.

(d) DEMONSTRATION PROJECTS.—In carrying out the grant program established under subsection (a), the Secretary may make grants to entities referred to in that subsection for the purpose of developing demonstration projects to encourage and promote innovative responses to the dislocation resulting from reductions in expenditures by the United States for defense or by the closure of United States military installations. Such demonstration projects may include—

(1) projects to facilitate the placement of eligible employees in occupations experiencing skill shortages that will make use of the skills acquired by the eligible employees during their employment;

(2) projects to assist in retraining and reorganization efforts designed to avert layoffs that would otherwise occur as a result of such reductions or closures; and

(3) projects to assist communities in addressing and reducing the impact of such economic dislocation.

(e) NOTICE OF TERMINATION FOR CERTAIN DEFENSE EMPLOYEES.—

(1) IN GENERAL.—A civilian employee of the Department of Defense employed at a military installation being closed or realigned under the laws referred to in paragraph (2) shall be eligible for training, adjustment assistance, and employment services under subsection (a) beginning on the date on which such employee receives actual notice of termination, or the date determined by the Secretary of Defense under paragraph (3), whichever occurs earlier.

(2) CERTAIN DEFENSE LAWS.—The laws referred to in this paragraph are—

(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note); and

(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(3) DATE.—The date determined under this paragraph is the date that is 24 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.

(29 U.S.C. 1662d) Enacted November 5, 1990, P.L. 101-510, sec. 4202, 104 Stat 1852; amended October 23, 1992, P.L. 102-484, sec. 4467(e), 106 Stat. 2751.

**SEC. 325A. <sup>1</sup> DEFENSE DIVERSIFICATION PROGRAM.**

(a) **IN GENERAL.**—From the amount made available under section 4465(c) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992, the Secretary of Defense, in consultation with the Secretary of Labor, may make grants to States, sub-state grantees, employers, representatives of employees, labor-management committees, and other employer-employee entities to provide for training, adjustment assistance, and employment services to eligible individuals described in subsection (b) and to develop plans for defense diversification or conversion assistance to affected facilities located within an area directly affected by reductions in expenditures by the United States for defense or by closures of United States military facilities.

**(b) INDIVIDUALS ELIGIBLE FOR TRAINING, ASSISTANCE, AND SERVICES.—**

(1) **CERTAIN MEMBERS OF THE ARMED FORCES.**—A member of the Armed Forces shall be eligible for training, adjustment assistance, and employment services under this section if the member—

(A) was on active duty or full-time National Guard duty on September 30, 1990;

(B) during the 5-year period beginning on that date—

(i) is involuntarily separated (as defined in section 1141 of title 10, United States Code) from active duty or full-time National Guard duty; or

(ii) is separated from active duty or full-time National Guard duty pursuant to a special separation benefits program under section 1174a of title 10, United States Code, or the voluntary separation incentive program under section 1175 of that title;

(C) is not entitled to retired or retainer pay incident to that separation; and

(D) applies for such training, adjustment assistance, or employment services before the end of the 180-day period beginning on the date of that separation.

**(2) CERTAIN DEFENSE EMPLOYEES.—**

(A) **IN GENERAL.**—Except as provided in subparagraph (B), a civilian employee of the Department of Defense or the Department of Energy shall be eligible for training, ad-

<sup>1</sup> Section 4473 of P.L. 102-484 (106 Stat. 2756) repeals this section contingent upon appropriations regarding defense transfers of funds. Section 4473 reads as follows:

**SEC. 4473. TREATMENT OF CERTAIN PROVISIONS OF LAW UPON TRANSFER OF AMOUNTS PROVIDED UNDER THIS ACT.****(a) CONTINGENT REPEAL.—**

(1) **IN GENERAL.**—If a transfer is made in accordance with section 4501(c) of the full amount of an amount described in subparagraph (A) or (B) of paragraph (2), then the section referred to in that subparagraph (including the amendments made by the section) is repealed, effective as of the date of the enactment of this Act, and the provisions of any Act amended by such section shall apply as if the amendments had not been enacted.

(2) **AMOUNTS DESCRIBED.**—(A) The amount described in this subparagraph is the amount provided under subsection (c) of section 4465 for the amendments to the Job Training Partnership Act under such section.

(B) The amount described in this subparagraph is the amount provided under subsection (c) of section 4468 for the program under such section.

(b) **PUBLICATION IN THE FEDERAL REGISTER.**—If a transfer described in subsection (a)(1) is made, then the Secretary of Defense shall promptly publish in the Federal Register a notice of such transfer. Such notice shall specify the date on which such transfer occurred.

justment assistance, and employment services under this section if the employee—

(i) during the 5-year period beginning on October 1, 1992, is terminated or laid off (or receives a notice of termination or lay off) from such employment as a result of reductions in defense spending, as determined by the Secretary of Defense or the Secretary of Energy, except that, in the case of a notice of termination or lay off, the eligibility of the employee shall not begin until 180 days before the projected date of the termination or lay off; and

(ii) is not entitled to retired or retainer pay incident to that termination or lay off.

(B) SPECIAL RULE FOR CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE EMPLOYED AT CERTAIN MILITARY INSTALLATIONS.—

(i) IN GENERAL.—A civilian employee of the Department of Defense employed at a military installation being closed or realigned under the laws referred to in clause (ii) shall be eligible for training, adjustment assistance, and employment services under this section beginning on the date on which such employee receives actual notice of termination, or the date determined by the Secretary of Defense under clause (iii), whichever occurs earlier.

(ii) CERTAIN DEFENSE LAWS.—The laws referred to in this clause are—

(I) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note); and

(II) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(iii) DATE.—The date determined under this clause is the date that is 24 months before the date on which the military installation is to be closed or the realignment of the installation is to be completed, as the case may be.

(3) CERTAIN DEFENSE CONTRACTOR EMPLOYEES.—An employee of a private defense contractor shall be eligible for training, adjustment assistance, and employment services under this section if the employee—

(A) during the 5-year period beginning on October 1, 1992, is terminated or laid off (or receives a notice of termination or lay off) from such employment as a result of reductions in defense spending or the closure or realignment of a military installation, as determined by the Secretary of Defense, except that, in the case of a notice of termination or lay off, the eligibility of the employee shall not begin until 180 days before the projected date of the termination or lay off; and

(B) is not entitled to retired or retainer pay incident to that termination.

(c) APPLICATION REQUIREMENTS.—

(1) IN GENERAL.—To receive a grant under subsection (a), an applicant shall submit to the Secretary of Defense an application which contains such information as the Secretary may require and which meets the following requirements:

(A) CONSULTATION.—

(i) IN GENERAL.—(I) In the case of an applicant other than a State, such applicant shall submit an application to the Secretary of Defense developed in consultation with the State, and, where appropriate, in consultation with the labor-management committee or other employer-employee entity established pursuant to subparagraph (C)(ii) at the affected facility and in consultation with representatives from the Department of Defense.

(II) Prior to the submission of an application under subclause (I) to the Secretary of Defense, the applicant shall submit the application to the State for review. The State shall have 30 calendar days to review the application. The applicant may submit the application to the Secretary after the date on which the State completes its review of the application or upon expiration of the 30 calendar days, whichever occurs first.

(ii) STATES.—In the case of an applicant that is a State, such State shall submit an application to the Secretary of Defense developed in consultation with appropriate substate grantees, and, where appropriate, in consultation with the labor-management committee or other employer-employee entity established pursuant to subparagraph (C)(ii) at the affected facility and in consultation with representatives from the Department of Defense.

(B) CONTENTS OF APPLICATION.—An application shall contain a local labor market analysis, a general assessment of basic skills, career interests, income needs, and strategies necessary for the training and placement of the population that may be served, and, where appropriate—

(i) a preliminary outline of a program to convert the affected defense base or facility;

(ii) preliminary plant or military base conversion proposals, and proposals for the effective use or conversion of surplus Federal property; and

(iii) assurances that the applicant will coordinate the activities and services provided under this section with the Office of Economic Adjustment and other relevant agencies.

(C) PROVISION OF STATE DISLOCATED WORKER SERVICES.—The applicant shall provide verification that the State dislocated worker unit has provided, or is in the process of providing, in addition to the services described in section 311(b)(3) and 314(b), the following activities and services:

(i) The State dislocated worker unit, in conjunction with the substate grantee (and where appropriate,

representatives from the Department of Defense), established on-site contact with employers and employee representatives affected by a dislocation or potential dislocation of eligible individuals, prefer not later than 2 business days after notification of such dislocation.

(ii) The State dislocated worker unit has promoted the formation of a labor-management committee or other employer-employee entity in the case of a facility affected by an employee dislocation or potential dislocation in accordance with section 314(b)(1)(B) including the provision of technical assistance where appropriate, financial assistance to cover start-up costs of such committee.

(iii) The State dislocated worker unit has provided, in conjunction with the labor-management committee or other employer-employee entity established pursuant to clause (ii), the following services:

(I) An initial survey of potential eligible individuals to determine the approximate number of such individuals interested in receiving services under this section, orientation sessions, counseling services, and early intervention services for eligible individuals and management. Such services may be provided in coordination with representatives from the United States Employment Service, the Interstate Job Bank, the Department of Defense, and the National Occupational Information Coordinating Committee.

(II) Initial basic readjustment services in conjunction with such services provided by subgrantees.

(D) SKILLS UPGRADING.—The applicant shall provide assurances satisfactory to the Secretary of Defense that the applicant uses amounts from a grant under subsection (a) for skills upgrading at defense facilities pursuant to subsection (f)(2), the applicant will maintain its expenditures from all other sources for skills upgrading at or above the average level of such expenditures in the 1 year preceding the date of the enactment of this section.

(2) TECHNICAL ASSISTANCE.—The Secretary of Defense shall provide technical assistance to an applicant for the purpose of assisting the applicant to meet the application requirements under paragraph (1).

(3) TIMELY DECISION.—The Secretary of Defense shall make a determination with regard to an application received under paragraph (1) not later than 30 calendar days after the date on which the Secretary receives the application.

(4) TIMELY NOTIFICATION.—The Secretary of Defense shall provide timely written notification to an applicant upon determination by the Secretary that the applicant has not satisfied the requirements under paragraph (1).

(d) SELECTION REQUIREMENTS.—

(1) IN GENERAL.—In reviewing applications for grants under subsection (a), the Secretary of Defense—

(A) in consultation with the Secretary of Labor, shall not approve an application for a grant unless the application contains assurances that the applicant will use amounts from a grant to provide needs-related payments in accordance with subsection (i);

(B) shall select applications from areas most severely impacted by the reduction in defense expenditures and base closures, particularly areas with existing high poverty levels or existing high unemployment levels; and

(C) shall select applications from areas which have the greatest number of eligible individuals, taking into account the ratio of eligible individuals in the affected community to the population of such community.

(2) PRIORITY.—In reviewing applications for grants under subsection (a), the Secretary of Defense shall give priority to each of the following:

(A) Applications received from substate grantees.

(B) Applications received from any applicant on behalf of affected employers in a similar defense-related industry or on behalf of a single employer with multiple bases or plants within a State.

(C) Applications demonstrating employer-employee cooperation, including the participation of labor-management committees or other employer-employee entities.

(e) RETENTION OF PORTION OF GRANT AMOUNT BY SECRETARY OF DEFENSE.—

(1) PORTION RELATING TO GENERAL APPLICATION REQUIREMENTS.—Subject to paragraph (2), the Secretary of Defense shall retain 25 percent of the amount of a grant awarded under subsection (a) and shall disburse the amount to the applicant not later than 90 days after the date on which the Secretary determines that the applicant is satisfactorily implementing the plans and strategies described in subsection (c)(1)(B).

(2) PORTION RELATING TO STATE DISLOCATED WORKER SERVICES.—The Secretary of Defense shall retain up to 20 percent of the amount retained under paragraph (1) (not to exceed \$50,000) and shall disburse the amount to the State dislocated worker unit not later than 90 days after the date on which the Secretary determines that the applicant has provided verification that such unit has satisfactorily provided the activities and services described in subsection (c)(1)(C). The amount disbursed under the preceding sentence shall be used to reimburse such unit for expenses incurred in providing such activities and services.

(f) USE OF FUNDS.—Subject to the requirements of subsections (g), (h), (i), and (j), grants under subsection (a) may be used only for the following purposes:

(1) Any purpose for which funds may be used under section 314 or this section.

(2) Skills upgrading, which may be provided to—

(A) individuals who are employed in non-managerial positions, including individuals in such positions who have received notice of termination or lay off, if such upgrading—

(i) is integral to the conversion of a defense facility and necessary to prevent a closure or mass layoff which would result in the termination or layoff of such individuals; and

(ii) is to replace or update obsolete skills of such individuals with marketable skills; and

(B) individuals who have received notice of termination or lay off from non-managerial positions, including individuals who have been terminated or laid off from such positions, if such upgrading is to replace or update obsolete skills of such individuals with marketable skills, without which reemployment in a high demand occupation or industry would be unlikely.

(3) The development and introduction of high performance workplace systems, employee and participative management systems, and workforce participation in the evaluation, selection, and implementation of new production technologies.

(g) LIMITATION.—Not more than 20 percent of amounts received from a grant under subsection (a) shall be used for administration, conversion planning activities, and the activities described in subsection (f)(3).

(h) ADJUSTMENT ASSISTANCE REQUIREMENTS.—The adjustment assistance requirements described in section 326(e) shall apply for purposes of grants made under subsection (a) for adjustment assistance.

(i) NEEDS-RELATED PAYMENTS REQUIREMENTS.—The Secretary of Defense shall prescribe regulations with respect to the use of funds from grants under subsection (a) for needs-related payments in accordance with the requirements described in section 326(f) in order to enable eligible individuals to complete training or education programs. Priority for needs-related payments shall be given to eligible individuals participating in certificate or degree awarding vocational training or education programs of 1 year or more.

(j) DEPARTMENT OF DEFENSE FINANCIAL ASSISTANCE REQUIREMENT.—The Secretary of Defense, in consultation with the Secretary of Labor, shall prescribe regulations to ensure that student financial assistance authorized under programs for employees of the Department of Defense and veterans is provided prior to adjustment assistance under subsection (h), needs-related payments under subsection (i), and any other student financial assistance provided under Federal law.

(k) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—In carrying out the grant program established under subsection (a), the Secretary of Defense, in consultation with the Secretary of Labor, may make grants to the entities referred to in that subsection for the purpose of developing demonstration projects to encourage and promote innovative responses to the dislocation resulting from reductions in expenditures by the United States for defense or by the closure

of United States military installations. Such demonstration projects may include—

(A) projects to assist in retraining efforts designed to address the needs of individuals who have received notice of termination or lay off and individuals who have been terminated or laid off in communities affected by such reductions or closures;

(B) projects to assist in retraining and reorganization efforts designed to avert layoffs that would otherwise occur as a result of such reductions or closures; and

(C) projects to assist communities in addressing and reducing the impact of such economic dislocation.

(2) LIMITATION.—Not more than 10 percent of the funds available to the Secretary of Defense to carry out this section for any fiscal year may be used to carry out the projects established under paragraph (1).

(1) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) LABOR-MANAGEMENT COMMITTEE.—The term “labor-management committee”—

(A) has the meaning given such term in section 301(b)(1); and

(B) includes a committee established at a military installation to assist members of the Armed Forces who are being separated and civilian employees of the Department of Defense and the Department of Energy who are being terminated.

(2) DEFENSE CONTRACTOR.—The term “defense contractor” means a private person producing goods or services pursuant to—

(A) one or more defense contracts which have a total amount not less than \$500,000 entered into with the Department of Defense; or

(B) one or more subcontracts entered into in connection with a defense contract and which have a total amount not less than \$500,000.

(29 U.S.C. 1662d-1) Enacted October 23, 1992, P.L. 102-484, sec. 4465(a), 106 Stat. 2742.

#### CLEAN AIR EMPLOYMENT TRANSITION ASSISTANCE

SEC. 326. (a) DETERMINATION OF ELIGIBILITY.—

(1) DEFINITIONS.—For purposes of this section, the term “eligible individual” means an individual who—

(A) is an eligible dislocated worker, as that term is de-



(b) **GRANTS AUTHORIZED.**—The Secretary may make grants to States, substate grantees (as defined in section 312(c)), employers, employer associations, and representatives of employees—

(1) to provide training, adjustment assistance, and employment services to eligible individuals adversely affected by compliance with the Clean Air Act; and

(2) to make needs-related payments to such individuals in accordance with subsection (f) of this section.

(c) **PRIORITY AND APPROVAL.**—

(1) **PRIORITY.**—In reviewing applications for grants under subsection (b), the Secretary shall give priority to applications proposing to provide training, adjustment assistance, and services in areas which have the greatest number of eligible individuals.

(2) **NEEDS-RELATED PAYMENTS REQUIRED.**—The Secretary shall not approve an application for a grant under subsection (b) unless the application contains assurances that the applicant will use grant funds to provide needs-related payments in accordance with subsection (f).

(d) **USE OF FUNDS.**—Subject to the requirements of subsections (e) and (f) of this section, grants under subsection (b) may be used for any purpose for which funds may be used under section 314.

(e) **ADJUSTMENT ASSISTANCE.**—

(1) **JOB SEARCH ALLOWANCE.**—

(A) **IN GENERAL.**—Grants under subsection (b) for adjustment assistance may be used to provide job search allowances to eligible individuals. Such allowance, if granted, shall provide reimbursement to the individual of not more than 90 percent of the cost of necessary job search expenses, as prescribed by regulations of the Secretary, but may not exceed \$800 unless the need for a greater amount is justified in the application and approved by the Secretary.

(B) **CRITERIA FOR GRANTING JOB SEARCH ALLOWANCES.**—A job search allowance may be granted only—

(i) to assist an eligible individual who has been totally separated in securing a job within the United States; and

(ii) where the Secretary determines that such employee cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

(2) **RELOCATION ALLOWANCE.**—

(A) **IN GENERAL.**—Grants under subsection (b) for adjustment assistance may be used to provide relocation allowances to eligible individuals. Such an allowance may only be granted to assist an eligible individual in relocating within the United States and only if the Secretary determines that—

(i) such employee cannot reasonably be expected to secure suitable employment in the commuting area in which the employee resides; and

(ii) such employee—

(I) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which the employee wishes to relocate, or has obtained a bona fide offer of such employment, and

(II) is totally separated from employment at the time relocation commences.

(B) AMOUNT OF RELOCATION ALLOWANCE.—The amount of any relocation allowance for any eligible individual may not exceed the amount which is equal to the sum of—

(i) 90 percent of the reasonable and necessary expenses, specified in regulations prescribed by the Secretary, incurred in transporting an individual and the individual's family, if any, and household effects, and

(ii) a lump sum equivalent to 3 times the employee's average weekly wage, up to a maximum payment of \$800, unless the need for a greater amount is justified in the application and approved by the Secretary.

(f) NEEDS-RELATED PAYMENTS.—The Secretary shall prescribe regulations with respect to the use of funds from grants under subsection (b) for needs-related payments in order to enable eligible individuals to complete training or education programs under this section. Such regulations shall—

(1) require that such payments shall be provided to an eligible individual only if such individual—

(A) does not qualify or has ceased to qualify for unemployment compensation;

(B) has been enrolled in training by the end of the 13th week of the individual's initial unemployment compensation benefit period, or, if later, the end of the 8th week after an individual is informed that a short-term lay-off will in fact exceed 6 months; and

(C) is participating in training or education programs under this section, except that such regulations shall protect an individual from being disqualified pursuant to this clause for a failure to participate that is not the fault of the individual;

(2) provide that to qualify for such payments the individual currently receives, or is a member of a family which currently receives, a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, is not in excess of the lower living standard income level;

(5) provide that the grantee shall obtain information with respect to such income, and changes therein, from the eligible individual.

(g) ADMINISTRATIVE EXPENSES.—The Secretary of Labor may reserve not more than 5 percent of the funds appropriated under this section for the administration of activities authorized under this section, including the provision of technical assistance for the preparation of grant applications.

(h) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated by section 3(b) of this Act, there are authorized to be appropriated \$50,000,000 for fiscal year 1991, and such sums as may be necessary for each of fiscal years 1992, 1993, 1994, and 1995 to carry out this section. The total amount appropriated for all 5 such fiscal years shall not exceed \$250,000,000. Amounts appropriated pursuant to this subsection shall remain available until expended.

(i) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section not later than 180 days after the date of enactment of this section.

(j) GAO ASSESSMENT OF EFFECTS OF CLEAN AIR ACT COMPLIANCE OF EMPLOYMENT.—The Comptroller General of the United States shall—

(1) identify and assess, to the extent possible, the effects on employment that are attributable to compliance with the provisions of the Clean Air Act; and

(2) submit to the Congress on the 4th anniversary of the date of the enactment of this subtitle a written report on the assessments required under paragraph (1).

(29 U.S.C. 1662e) Enacted November 15, 1990, P.L. 101-549, sec. 1101(a), 104 Stat. 2709; amended September 7, 1992, P.L. 102-367, sec. 102(b), 106 Stat. 1021.

## TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

### PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

#### NATIVE AMERICAN PROGRAMS

SEC. 401. (a) The Congress finds that (1) serious unemployment and economic disadvantages exist among members of Indian, Alaskan Native, and Hawaiian Native communities; (2) there is a compelling need for the establishment of comprehensive training and employment programs for members of those communities; and (3) such programs are essential to the reduction of economic disadvantages among individual members of those communities and to the advancement of economic and social development in the communities consistent with their goals and lifestyles.

(b) The Congress therefore declares that, because of the special relationship between the Federal Government and most of the individuals to be served by the provisions of this section, (1) such programs shall be administered at the national level; (2) such programs shall be available to federally recognized Indian tribes, bands, and groups and to other groups and individuals of Native American descent; and (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support

growth and development as determined by representatives of the communities and groups served by this section.

(c)(1)(A) In carrying out responsibilities under this section, the Secretary shall, wherever possible, utilize Indian tribes, bands, or groups on Federal or State reservations, Oklahoma Indians, and including for the purpose of this Act, Alaska Native villages or groups as defined in the Alaska Native Claims Settlement Act, having a governing body for the provision of employment and training services under this section. When the Secretary determines that such tribe, band, or group has demonstrated the capability to effectively administer a comprehensive employment and training program, the Secretary shall require such tribe, band, or group to submit a comprehensive plan meeting such requirements as the Secretary prescribes.

(B) The Secretary shall arrange for programs to meet the employment and training needs of Hawaiian natives through such organizations as the Secretary determines will best meet their needs.

(2) In carrying out responsibilities under this section, the Secretary shall make arrangements with organizations (meeting requirements prescribed by the Secretary) serving nonreservation Native Americans for programs and projects designed to meet the needs of such Native Americans for employment and training and related services.

(d) Whenever the Secretary determines not to utilize Indian tribes, bands, or groups for the provision of employment and training services under this section, the Secretary shall, to the maximum extent feasible, enter into arrangements for the provision of such services with organizations which meet with the approval of the tribes, bands, or groups to be served.

(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of Native American employment and training programs authorized under this Act.

(f) Funds available for this section shall be expended for programs and activities consistent with the purposes of this section including but not limited to such programs and activities carried out by recipients under other provisions of this Act.

(g) No provision of this section shall abrogate in any way the trust responsibilities of the Federal Government to Native American bands, tribes, or groups.

(h)(1) The Secretary shall, after consultation with representatives of Indians and other Native Americans, prescribe such rules, regulations, and performance standards pursuant to section 106 relating to Native American programs under this section as may be required to meet the special circumstances under which such programs operate.

(2) Recipients of funds under this section shall establish performance goals, which shall, to the extent required by the Secretary, comply with performance standards established by the Secretary pursuant to section 106.

(i) The Secretary shall provide technical assistance as necessary to tribes, bands, and groups eligible for assistance under this section.

(j)(1) The Secretary shall designate a single organizational unit that shall have as its primary responsibility the administration of all Native American programs authorized under this Act.

(2) Such organizational unit shall—

(A) be responsible for administering the provisions of the Native American programs authorized under this Act, including monitoring such programs and making recommendations regarding the selection of the recipients of financial assistance;

(B) be responsible for the development of the policies and procedures related to the implementation of such programs; and

(C) coordinate the development of policy and procedures for the employment and training programs within the Department relating to services for Native American workers.

(3) In the hiring and promotion of the professional staff for the organizational unit designated under paragraph (1), special consideration shall be given to individuals who have field experience in the daily operation of service and training programs for Native Americans, and individuals who are Indians or Alaskan Natives. The Secretary shall take such additional actions as may be necessary to promote the recruitment and promotion of Indians, Alaskan Natives, and Hawaiian Natives to positions in such unit.

(k)(1) There is hereby established a Native American Employment and Training Council (referred to in this subsection as the "Council"), which shall consist of not fewer than 17 Indians, Alaskan Natives, and Hawaiian Natives appointed by the Secretary from among individuals nominated by Indian tribes or Indian, Alaskan Native, or Hawaiian Native organizations. The membership of the Council shall represent all geographic areas of the United States with a substantial Indian, Alaskan Native, or Hawaiian Native population and shall include representatives of tribal governments and of nonreservation Native American organizations who are service providers under this Act. A majority of the members of the Council shall have field experience in the daily operation of the program authorized under this section.

(2) The Council shall select a chairperson from among its members by a majority vote. The Council shall meet not less often than twice each program year.

(3) Members of the Native American Programs Advisory Committee that existed before the date of enactment of this subsection—

(A) shall serve as members of the Council until their successors are appointed; and

(B) may be appointed as members of the Council, if such appointment is consistent with the provisions of this subsection.

(4) Each member of the Council shall serve for a term of 2 years, except that—

(A) one-half of the members initially appointed (as designated by the Secretary) shall serve for terms of 1 year;

(B) any vacancy occurring in the membership of the Council shall be filled in the same manner as the original appointment and shall not affect the power of the remaining members to execute the duties of the Council;

(C) any member appointed to such a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed; and

(D) members may be reappointed.

(5) The initial membership of the Council shall be appointed not later than the beginning of program year 1993.

(6) The Council shall—

(A) solicit the views of a wide variety of Indian tribes and Native American groups, including groups operating employment and training programs funded under this section, on issues affecting the operation and administration of such programs;

(B) advise the Secretary with respect to the implementation of programs under this section and other programs providing services to Native American youth and adults under this Act;

(C) advise and make recommendations to the Secretary with respect to the design and implementation of performance standards developed under section 106(f);

(D) advise and make recommendations to the Secretary with respect to the services obtained or to be obtained by the Department of Labor through contracts or arrangements with non-Federal agencies or entities that involve the program authorized by this section;

(E) evaluate the effectiveness of Native American job training programs and make recommendations with respect to the improvement of such programs;

(F) advise the Secretary with respect to individuals to be considered to fill the position of the official in charge of the organizational unit designated under subsection (j)(1) whenever a vacancy in such position occurs; and

(G) prepare and submit directly to the Secretary and to the Congress, not later than January 1 of each even numbered year, a report containing information on the progress of Native American job training programs and recommendations for improving their administration and effectiveness.

(7) Members of the Council shall serve without compensation. Each member of the Council shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(8) The Secretary shall provide the Council with such administrative support as may be necessary to perform its functions.

(I) The competition for grants under this section shall be conducted every 2 years, except that if a recipient of such a grant has performed satisfactorily under the terms of the existing grant agreement, the Secretary may waive the requirement for such competition on receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year grant period.

(29 U.S.C. 1671) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1368; amended December 31, 1982, P.L. 97-404, sec. 4(a), 96 Stat. 2026; amended September 7, 1992, P.L. 102-367, sec. 401(a)-(d), 106 Stat. 1074.

## MIGRANT AND SEASONAL FARMWORKER PROGRAMS

SEC. 402. (a) The Congress finds and declares that—

(1) chronic seasonal unemployment and underemployment in the agricultural industry, aggravated by continual advancements in technology and mechanization resulting in displacement, constitute a substantial portion of the Nation's rural employment problem and substantially affect the entire national economy; and

(2) because of the special nature of farmworker employment and training problems, such programs shall be centrally administered at the national level.

(b) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of migrant and seasonal employment and training programs authorized under this Act.

(c)(1) The Secretary shall provide services to meet the employment and training needs of migrant and seasonal farmworkers through such public agencies and private nonprofit organizations as the Secretary determines to have an understanding of the problems of migrant and seasonal farmworkers, a familiarity with the area to be served, and a previously demonstrated capability to administer effectively a diversified employability development program for migrant and seasonal farmworkers. In awarding any grant or contract for services under this section, the Secretary shall use procedures consistent with standard competitive Government procurement policies.

(c)<sup>1</sup>(2) The competition for grants under this section shall be conducted every 2 years, except that if a recipient of such a grant has performed satisfactorily under the terms of the existing grant agreement, the Secretary may waive the requirement for such competition upon receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year grant period.

(3) Programs and activities supported under this section, including those carried out under other provisions of this Act, shall enable farmworkers and their dependents to obtain or retain employment, to participate in other program activities leading to their eventual placement in unsubsidized agricultural or nonagricultural employment, and to participate in activities leading to stabilization in agricultural employment, and shall include related assistance and supportive services.

(4) Recipients of funds under this section shall establish performance goals, which shall, to the extent required by the Secretary, comply with performance standards established by the Secretary pursuant to section 106.

(5) No programs and activities supported under this section shall preclude assistance to farmworkers under any other provision of this Act.

<sup>1</sup> So in law. Section 401(e) of P.L. 102-367 struck out old paragraph (2) of subsection (c) and inserted this new (2). The new paragraph (2) probably should not have a (c) designation preceeding it.

(d) In administering programs under this section, the Secretary shall consult with appropriate State and local officials.

(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of migrant and seasonal farmworker's employment and training programs authorized under this Act.

(29 U.S.C. 1672) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1369; amended December 31, 1982, P.L. 97-404, sec. 4(b), 96 Stat. 2026; amended September 7, 1992, P.L. 102-367, sec. 401(e), (f), 106 Stat. 1076.

#### GRANT PROCEDURES

SEC. 403. Grants under sections 401 and 402 shall be subject to the Single Audit Act of 1984 (31 U.S.C. 7501 et seq.) and charging of costs under such sections shall be subject to appropriate circulars issued by the Office of Management and Budget.

(29 U.S.C. 1673) Enacted September 7, 1992, P.L. 102-367, sec. 401(g), 106 Stat. 1076.

#### PART B—JOB CORPS

##### STATEMENT OF PURPOSE

SEC. 421. This part maintains a Job Corps for economically disadvantaged young men and women which shall operate exclusively as a distinct national program, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. The purpose of this part is to assist young individuals who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of national, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

(29 U.S.C. 1691) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1370.

##### ESTABLISHMENT OF THE JOB CORPS

SEC. 422. There shall be within the Department of Labor a "Job Corps".

(29 U.S.C. 1692) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1370.

##### INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

SEC. 423. To become an enrollee in the Job Corps, a young man or woman must be an eligible youth who—

(1) has attained age 14 but not attained age 22 at the time of enrollment, except that not more than 20 percent of the individuals enrolled may be age 22 through 24, and that either



such maximum age limitation may be waived, in accordance with regulations of the Secretary, in the case of any individual with a disability;

(2) is economically disadvantaged or is a member of a family which is economically disadvantaged, and who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for other suitable training programs, or satisfy Armed Forces requirements;

(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair prospects for successful participation in other programs providing needed training, education, or assistance;

(4) is determined, after careful screening as provided for in sections 424 and 425 to have the present capabilities and aspirations needed to complete and secure the full benefit of the Job Corps and to be free of medical and behavioral problems so serious that the individual could not adjust to the standards of conduct, discipline, work, and training which the Job Corps involves; and

(5) meets such other standards for enrollment as the Secretary may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

(29 U.S.C. 1693) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1370; amended September 7, 1992, P.L. 102-367, secs. 103(b)(4), 402(a), 106 Stat. 1026, 1076

#### SCREENING AND SELECTION OF APPLICANTS: GENERAL PROVISIONS

SEC. 424. (a) The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps. To the extent practicable, these rules shall be implemented through arrangements with agencies and organizations such as community action agencies, public employment offices, entities administering programs under title II of this Act, professional groups, labor organizations, and agencies and individuals having contact with youth over substantial periods of time and able to offer reliable information as to their needs and problems. The rules shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. The rules shall also provide for the interviewing of each applicant for the purpose of—

(1) determining whether the applicant's educational and vocational needs can best be met through the Job Corps or an alternative program in the applicant's home community;

(2) obtaining from the applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment; and

(3) giving the applicant a full understanding of the Job Corps and what will be expected of an enrollee in the event of acceptance.

(b) The Secretary is authorized to make payments to individuals and organizations for the cost of the recruitment, screening,

and selection of candidates, as provided for in this part. The Secretary shall make no payments to any individual or organization solely as compensation for referring the names of candidates for Job Corps.

(c) The Secretary shall assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas, taking into account the proportions of eligible youth who reside in rural areas and the need to provide residential facilities for such youth.

(29 U.S.C. 1694) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1371.

#### SCREENING AND SELECTION: SPECIAL LIMITATIONS

SEC. 425. (a) No individual shall be selected as an enrollee unless there is reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the center to which the individual might be assigned and surrounding communities, and unless the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe those rules.

(b) An individual on probation, parole, or supervised release may be selected only if release from the supervision of the probation or parole officials is satisfactory to those officials and the Secretary and does not violate applicable laws or regulations. No individual shall be denied a position in the Job Corps solely on the basis of that individual's contact with the criminal justice system.

(29 U.S.C. 1695) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1372, amended October 12, 1984, P.L. 98-473, title II, sec. 231, 98 Stat. 2031

#### ENROLLMENT AND ASSIGNMENT

SEC. 426. (a) No individual may be enrolled in the Job Corps for more than two years, except in any case in which completion of an advanced career program under section 428 would require an individual to participate in excess of two years, or except as the Secretary may authorize in special cases.

(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(c) After the Secretary has determined that an enrollee is to be assigned to a Job Corps center, the enrollee shall be assigned to the center which is closest to the enrollee's home, except that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for youth from various sections of the Nation to participate in the program, to prevent undue delays in assignment, to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

(d) Nothing in this Act shall be construed to prohibit an individual who has been a participant in the Job Corps from concurrently or subsequently participating in programs under title II, or to prohibit an individual who has been a participant in programs under

title II from concurrently or subsequently participating in the Job Corps.

(29 U.S.C. 1696) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1372; amended September 7, 1992, P.L. 102-367, sec. 402(b), 106 Stat. 1076.

#### JOB CORPS CENTERS

SEC. 427. (a)(1) The Secretary may make agreements with Federal, State, or local agencies, including a State board or agency designated pursuant to section 111(a)(1) of the Carl D. Perkins Vocational Education Act which operates or wishes to develop area vocational education school facilities or residential vocational schools (or both) as authorized by such Act, or private organizations for the establishment and operation of Job Corps centers. Job Corps centers may, subject to paragraph (2), be residential or nonresidential in character, or both, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest. The centers shall also include training centers located in either urban or rural areas which shall provide activities including training and other services for specific types of skilled or semiskilled employment.

(2) In any year, not more than 20 percent of the individuals enrolled in the Job Corps may be nonresidential participants. In enrolling individuals who are to be nonresidential participants, priority shall be given to those eligible individuals who are single parents with dependent children. The Secretary shall not reduce the number of residential participants in Job Corps programs under this part during any program year below the number of residential participants during program year 1991 in order to increase the number of individuals who are nonresidential participants in the Job Corps.

(b) To the extent feasible, Job Corps centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in other programs under this Act. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Secretary may specify.

(c) No funds appropriated to the Department of Labor for any fiscal year may be used to carry out any contract with a nongovernmental entity to administer or manage a Civilian Conservation Center of the Job Corps.

(29 U.S.C. 1697) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1372; amended October 19, 1984, P.L. 98-524, sec. 4(a)(4), 98 Stat. 2487; amended September 7, 1992, P.L. 102-367, sec. 402(c), (d), 106 Stat. 1076.

#### PROGRAM ACTIVITIES

SEC. 428. (a) Each Job Corps center shall provide enrollees with an intensive, well-organized, and fully supervised program of

education, vocational training, work experience, planned vocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program shall include activities to assist enrollees in choosing realistic career goals, coping with problems they may encounter in home communities, or in adjusting to new communities, and planning and managing their daily affairs in a manner that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance work to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

(b) The Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes, whenever such institutions provide training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

(c) To the extent feasible, arrangements for education, both at the center and at other locations, shall provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school. The Secretary, with the concurrence of the Secretary of Education, shall develop certificates to be issued to each enrollee who satisfactorily completes service in the Job Corps and which will reflect the enrollee's level of educational attainment.

(d)(1) The Secretary may arrange for programs of advanced career training for selected Corps enrollees in which they may continue to participate for a period not to exceed one year in addition to the period of participation to which Corps enrollees would otherwise be limited.

(2) Advanced career training may be provided for in post-secondary institutions for Corps enrollees who have attained a high school diploma or its equivalent, have demonstrated commitment and capacity in their previous Job Corps participation, and have an identified occupational goal.

(3) The Secretary may contract with private for-profit businesses and labor unions to provide intensive training in company-sponsored training programs, combined with internships in work settings.

(4) During the period of participation in advanced career training programs, Corps enrollees shall be eligible for full Job Corps benefits or a monthly stipend equal to the average value of residential support, food, allowances, and other benefits in residential Job Corps centers, except that the total amount for which an enrollee shall be eligible shall be reduced by the amount of any scholarship or other educational grant assistance received by such enrollee.

(5) After an initial period of time, determined to be reasonable by the Secretary, any Job Corps center seeking to enroll new Corps enrollees in any advanced career training program shall demonstrate that such program has achieved a reasonable rate of completion and placement in training-related jobs before such new enrollments may occur.

(e) The Secretary shall, to the extent practicable, provide child care at or near Job Corps centers, for individuals who require child care for their children in order to participate in the Job Corps.

(f) Each Job Corps center shall provide to enrollees who are dependent on, or who have a history of abuse of, alcohol or drugs, with counseling and referral to related services necessary to prevent the continuance or recurrence of such dependency or abuse.

(29 U.S.C. 1698) Enacted October 13, 1982, P L 97-300, 96 Stat 1373, amended September 7, 1992, P L 102-367, sec. 402(e), 106 Stat. 1077.

#### ALLOWANCES AND SUPPORT

SEC. 429. (a) The Secretary shall provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. For the fiscal year ending September 30, 1983, personal allowances shall be established at a rate not to exceed \$65 per month during the first six months of an enrollee's participation in the program and not to exceed \$110 per month thereafter, except that allowances in excess of \$65 per month, but not exceeding \$110 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than six months' duration and the Secretary is authorized to pay personal allowances in excess of the rates specified in this subsection in unusual circumstances as determined by him. Such allowances shall be graduated up to the maximum so as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

(b) The Secretary shall prescribe rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months' service in the Job Corps.

(c) The Secretary may provide each former enrollee upon termination, a readjustment allowance at a rate not to exceed, for the fiscal year ending September 30, 1983, \$110 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance unless he has remained in the program at least 90 days, except in unusual circumstances as determined by the Secretary. The Secretary may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowances as the Secretary deems necessary to meet extraordinary financial obligations incurred by that enrollee. The Secretary is authorized, pursuant to rules or regulations, to reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(d) Such portion of the readjustment allowance as prescribed by the Secretary may be paid monthly during the period of service of the enrollee directly to a spouse or child of an enrollee, or to any other relative who draws substantial support from the enrollee, and any amount so paid shall be supplemented by the payment of an equal amount by the Secretary.

(29 U.S.C. 1699) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1374

#### STANDARDS OF CONDUCT

SEC. 430. (a) Within Job Corps centers standards of conduct shall be provided and stringently enforced. If violations are committed by enrollees, dismissal from the Corps or transfers to other locations shall be made if it is determined that their retention in the Corps, or in the particular center, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.

(b) To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees, including dismissal from the Job Corps, subject to expeditious appeal to the Secretary.

(29 U.S.C. 1700) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1375.

#### COMMUNITY PARTICIPATION

SEC. 431. The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers and nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Youth shall be represented on the advisory council and separate youth councils may be established composed of enrollees and young people from the communities. The Secretary shall assure that each center is operated with a view to achieving, so far as possible, objectives which shall include—

(1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community;

(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees;

(3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community;

(4) encouraging the fullest practicable participation of enrollees in programs for community improvement or betterment, with appropriate advance consultation with business, labor, professional, and other interested community groups;

(5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together;

(6) providing community residents with opportunities to work with enrollees directly as part-time instructors, tutors, or advisers, either in the center or in the community;

(7) developing, where feasible, job or career opportunities for enrollees in the community; and

(8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools and libraries, educational institutions, agencies serving young people and recipients of funds under this Act.

(29 U.S.C. 1701) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1375.

#### COUNSELING AND JOB PLACEMENT

SEC. 432. (a) The Secretary shall counsel and test each enrollee at regular intervals to measure progress in educational and vocational programs.

(b) The Secretary shall counsel and test enrollees prior to their scheduled terminations to determine their capabilities and shall make every effort to place them in jobs in the vocation for which they are trained or to assist them in attaining further training or education. In placing enrollees in jobs, the Secretary shall utilize the public employment service system to the fullest extent possible.

(c) The Secretary shall determine the status and progress of enrollees scheduled for termination and make every effort to assure that their needs for further education, training, and counseling are met.

(d) The Secretary shall arrange for the readjustment allowance to be paid to former enrollees (who have not already found employment) at the State employment service office nearest the home of any such former enrollee who is returning home, or at the nearest such office where the former enrollee has indicated an intent to reside. If the Secretary uses any other public agency or private organization in lieu of the public employment service system, the Secretary shall arrange for that organization or agency to pay the readjustment allowance.

(29 U.S.C. 1702) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1376.

#### EXPERIMENTAL AND DEVELOPMENTAL PROJECTS AND COORDINATION WITH OTHER PROGRAMS

SEC. 433. (a)(1) The Secretary is authorized to undertake experimental, research, or demonstration projects to develop or test ways of better using facilities, encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in their period of enrollment, reducing transportation and support costs, or otherwise promoting greater efficiency and effectiveness in the program. These projects shall include one or more projects providing youth with education, training, and other supportive services on a combined residential and nonresidential basis.

(2) The Secretary is authorized to undertake one or more pilot projects designed to determine the value of Job Corps participation for young adults aged 22 to 24, inclusive.

(3) The Secretary is authorized to undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations.

(4) Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies con-

ducting similar or related programs or projects and with the administrative entity in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available for projects under this section to the extent they include the same or substantially similar activities. The Secretary is authorized to waive any provision of this part which the Secretary finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. The Secretary shall, in the annual report of the Secretary, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

(b) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum use of existing educational and training facilities, the Secretary, in cooperation with the Secretary of Education, is authorized to enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers.

(c)(1) The Secretary, through the Job Corps and activities authorized under sections 452 and 453, shall develop and implement activities designed to disseminate information gained from Job Corps program experience which may be of use in the innovation and improvement of related programs. To carry out this purpose, the Secretary may enter into appropriate arrangements with any Federal or State agency.

(2) The Secretary is authorized to develop Job Corps programs to test at various centers the efficacy of selected education or training activities authorized under this or any other Act and to appropriately disseminate the results of such tests. To carry out this purpose, the Secretary may enter into appropriate arrangements with any Federal or State agency.

(d) The Secretary is authorized to enter into appropriate arrangements with the Secretary of Defense for the development of pilot projects at Job Corps centers to prepare youth to qualify for military service. In the event that the Secretary of Labor and the Secretary of Defense agree that such pilot projects should be expanded into permanent programs, the Secretary may establish such permanent programs within the Job Corps, if the Secretary of Defense agrees (1) to provide 50 percent of the costs attributable to such permanent programs, and (2) to reimburse the Secretary of Labor for an additional amount if more than 50 percent of the enrollees in such programs become members of the Armed Forces. Such additional amount shall be equal to a percentage of such costs which is the percentage by which more than 50 percent of such enrollees become such members. In addition to the provision of funds, such reimbursement may include the provision of equipment, materials, transportation, technical assistance, or other assistance, as specified by the Secretary.



(e) In order to determine whether community participation as required under section 431 can be improved through the closer involvement of community-based organizations, the Secretary is authorized to undertake one or more pilot projects utilizing community-based organizations of demonstrated effectiveness for Job Corps center operation. For purposes of such pilot projects, the term "community-based organizations" may include nonprofit educational foundations organized on a State or local basis.

(29 U.S.C. 1703) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1376; amended September 7, 1992, P.L. 102-367, sec. 702(a)(13), 106 Stat. 1112.

#### JOB CORPS CENTERS FOR HOMELESS FAMILIES

SEC. 433A. (a) Subject to the availability of appropriations therefor, the Secretary is authorized, in accordance with section 427, to provide services and facilities in accordance with this section to eligible homeless individuals and their families at Job Corps centers. Job Corps centers serving homeless individuals and their families shall—

(1) be residential;

(2) be operated under a project agreement with one or more State or local agencies that complies with subsection (b) of this section;

(3) provide room and board for enrollees and their dependents and child care to the extent practicable for dependent children of enrollees; and

(4) provide enrollees—

(A) program activities that include both activities to sustain the operation of the center and regular Job Corps activities required under section 428; and

(B) the benefits and services given to any other enrollee under this part.

(b) Each Job Corps center providing services and facilities to homeless individuals under this section shall provide such services and facilities under a project agreement with one or more State or local agencies that—

(1) requires such State and local agencies to provide, in the aggregate, not less than 50 percent of the cost of such services and facilities;

(2) contains provisions to ensure that enrollees and their families are effectively assisted in obtaining all necessary health, education, and social services provided by existing Federal, State, and local programs in such State or locality;

(3) require such State and local agencies to provide such transitional assistance, including housing, necessary to effect successful job placements for enrollees; and

(4) contains or is accompanied by such other information and assurances as the Secretary may require.

(c) To become an enrollee in the Job Corps at a center established providing services and facilities to homeless individuals under this section, an individual—

(1) shall qualify as a homeless individual under section 103 of the Stewart B. McKinney Homeless Assistance Act;

(2) shall have not attained the age of 25 at the time of enrollment; and

(3) shall meet the requirements of paragraphs (2) through (5) of section 423.

(d) The Secretary shall prescribe special screening standards under sections 424 and 425 to identify and select enrollees for purposes of this section.

(e) The Secretary shall, pursuant to section 452(d), conduct evaluations of the centers providing services and facilities to homeless individuals under this section. The Secretary shall submit to the Congress a report on the results of such evaluations, together with the Secretary's recommendations concerning such centers, not later than 3 years after the date of enactment of this section.

(f) As used in the section, the term "family" may include, at a minimum, dependent children, and the brothers, sisters and parents of those dependent children.

(29 U.S.C. 1703a) Enacted November 29, 1990, P.L. 101-645, sec. 622, 104 Stat. 4744, amended September 7, 1992, P.L. 102-367, sec. 702(a)(14), 106 Stat. 1112.

#### ADVISORY BOARDS AND COMMITTEES

SEC. 434. The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

(29 U.S.C. 1704) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1378.

#### PARTICIPATION OF THE STATES

SEC. 435. (a) The Secretary shall take action to facilitate the effective participation of States in the Job Corps programs, including consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

(b) The Secretary is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Secretary is authorized, pursuant to regulations, to pay part or all of the costs of such programs to the extent such costs are attributable to carrying out the purpose of this part.

(c) No Job Corps center or other

enforcement as long as a Job Corps center is operated on such property.

(29 U.S.C. 1705) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1378.

#### APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 436. (a) Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

(1) For purposes of the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.) enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except—

(A) the term "performance of duty" shall not include any act of an enrollee while absent from the assigned post of duty of such enrollee, except while participating in an activity (including an activity while on pass or during travel to or from such post or duty) authorized by or under the direction and supervision of the Job Corps;

(B) in computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

(C) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

(b) Whenever the Secretary finds a claim for damages to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, the Secretary is authorized to adjust and settle it in an amount not exceeding \$1,500.

(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services

or in computing the percentage authorized by law for any grade in such services.

(29 U.S.C. 1706) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1378, amended September 7, 1992, P.L. 102-367, sec. 702(a)(15), 106 Stat. 1112.

#### SPECIAL PROVISIONS

SEC. 437. (a) The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

(b) The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the Job Corps program shall become the property of the United States.

(c) Transactions conducted by a private for-profit contractor or a nonprofit contractor in connection with the contractor's operation of a Job Corps Center, program, or activity shall not be considered as generating gross receipts. Such contractors shall not be liable, directly or indirectly, to any State or subdivision thereof (nor to any person acting on behalf thereof) for any gross receipts taxes, business privilege taxes measured by gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments made to or by such contractor for operating a Job Corps Center, program, or activity. Such contractors shall not be liable to any State or subdivision thereof to collect or pay any sales, excise, use, or similar tax imposed upon the sale to or use by such contractors of any property, service, or other item in connection with the operation of a Job Corps Center, program, or activity.

(d) The Secretary shall provide all Job Corps contractors with an equitable and negotiated management fee of not less than 1 percent of the contract amount.

(29 U.S.C. 1707) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1379; amended October 16, 1986, P.L. 99-496, sec. 12, 100 Stat. 1264; amended September 7, 1992, P.L. 102-367, sec. 402(D), 106 Stat. 1077.

#### GENERAL PROVISIONS

SEC. 438. The Secretary is authorized to—

(1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall deem appropriate, to public agencies, private organizations, and the general public;

(2) collect or compromise all obligations to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

(3) expend funds made available for purposes of this part—  
(A) for printing and binding, in accordance with applicable law and regulation; and

(B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary

shall not utilize the authority contained in this subparagraph—

(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this part, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form or under the conditions in which it is needed; and

(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of the Secretary's intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

(29 U.S.C. 1708) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1379.

#### DONATIONS

SEC. 439. The Secretary is authorized to accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including but not limited to, equipment and materials, if such donations are available for appropriate use for the purposes set forth in this part.

(29 U.S.C. 1709) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1380

#### PART C—VETERANS' EMPLOYMENT PROGRAMS

##### PROGRAMS AUTHORIZED

SEC. 441. (a)(1) The Secretary shall conduct, directly or through grant or contract, programs to meet the employment and training needs of service-connected disabled veterans, veterans of the Vietnam era, and veterans who are recently separated from military service.

(2) Programs supported under this part may be conducted through public agencies and private nonprofit organizations, including recipients under other provisions of this Act that the Secretary determines have an understanding of the unemployment problems of such veterans, familiarity with the area to be served, and the capability to administer effectively a program of employment and training assistance for such veterans.

(3) Programs supported under this part shall include, but not be limited to—

(A) activities to enhance services provided veterans by other providers of employment and training services funded by Federal, State, or local government;

(B) activities to provide employment and training services to such veterans not adequately provided by other public employment and training service providers; and

(C) outreach and public information activities to develop and promote maximum job and job training opportunities for such veterans and to inform such veterans about employment,

job-training, on-the-job training and educational opportunities under this Act, under title 38, United States Code, and under other provisions of law.

(b)(1) The Secretary shall administer programs supported under this part through the Assistant Secretary for Veterans' Employment.

(2) In carrying out responsibilities under this part, the Assistant Secretary for Veterans' Employment shall—

(A) be responsible for the awarding of grants and the distribution of funds under this part and for the establishment of appropriate fiscal controls, accountability, and program-performance standards for grant recipients under this part; and

(B) consult with the Secretary of Veterans Affairs and take steps to ensure that programs supported under this part are coordinated, to the maximum extent feasible, with related programs and activities conducted under title 38, United States Code, including programs and activities conducted under subchapter IV of chapter 3 of such title, chapters 31 and 34 of such title, and sections 612A, 620A, 1787, and 2003A of such title.

(29 U.S.C. 1721) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1380; amended June 13, 1991, P.L. 102-54, sec. 13(k)(2)(C), 105 Stat. 276

## PART D—NATIONAL ACTIVITIES

### NATIONAL PARTNERSHIP AND SPECIAL TRAINING PROGRAMS

SEC. 451. (a) STATEMENT OF PURPOSE.—It is the purpose of this section to—

(1) improve access to employment and training opportunities for individuals with special needs;

(2) help alleviate skill shortages and enhance the competitiveness of the labor force;

(3) meet special training needs that are best addressed on a multistate or industry-wide basis; and

(4) encourage the participation and support of all segments of society to further the purposes of this Act.

(b) PROGRAM AUTHORIZED.—The Secretary may establish a system of, and award, special grants to eligible entities to carry out programs that are most appropriately administered at the national level.

(c) PROGRAMS.—Programs that are most appropriately administered at the national level include—

(1) partnership programs with national organizations with special expertise in developing, organizing, and administering employment and training programs at the national, State, and local levels, such as industry and labor associations, public interest groups, community-based organizations representative of groups that encounter special difficulties in the labor market, and other organizations with special knowledge or capabilities in education and training;

(2) programs that—

(A) address industry-wide skill shortages;

(B) meet training needs that are best addressed on a multistate basis; and

(C) further the goals of increasing the competitiveness of the United States labor force; and

(3) programs that require technical expertise available at the national level to serve specialized needs of particular client groups, including at-risk youth, offenders, individuals of limited-English language proficiency, individuals with disabilities, women, immigrants, single parents, substance abusers, displaced homemakers, youth, older individuals, veterans, school dropouts, public assistance recipients, and other individuals who the Secretary determines require special assistance.

(29 USC 1731) Enacted September 7, 1992, P L 102-367, sec. 403(a), 106 Stat 1077

#### RESEARCH, DEMONSTRATION, AND EVALUATION

SEC. 452. (a) STATEMENT OF PURPOSE.—It is the purpose of this section to assist the United States in expanding employment opportunities and ensuring access to such opportunities for all who desire such opportunities.

(b) PROGRAM ESTABLISHED.—

(1) IN GENERAL.—The Secretary shall establish a comprehensive program of training and employment research, utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the employment and training problems of the United States.

(2) STUDIES.—The program established under this section may include studies concerning—

(A) the development or improvement of Federal, State, local, and privately supported employment and training programs;

(B) labor market processes and outcomes, including improving workplace literacy;

(C) policies and programs to reduce unemployment and the relationships of the policies and programs with price stability and other national goals;

(D) productivity of labor;

(E) improved means of using projections of labor supply and demand, including occupational and skill requirements and areas of labor shortages at the national and subnational levels;

(F) methods of improving the wages and employment opportunities of low-skilled, disadvantaged, and dislocated workers, and workers with obsolete skills;

(G) methods of addressing the needs of at-risk populations, such as youth, homeless individuals and other dependent populations, older individuals, and other groups with multiple barriers to employment;

(H) methods of developing information on immigration, international trade and competition, technological change, and labor shortages; and

(I) methods of easing the transition from school to work, from transfer payment receipt to self-sufficiency, from one job to another, and from work to retirement.

(c) PILOT AND DEMONSTRATION PROGRAMS.—

## (1) PROGRAM ESTABLISHED.—

(A) IN GENERAL.—The Secretary shall establish a program of pilot and demonstration programs for the purpose of developing and improving techniques and demonstrating the effectiveness of specialized methods in addressing employment and training needs. The Secretary may award grants and enter into contracts with entities to carry out the programs.

(B) PROJECTS.—Such programs may include projects in such areas as—

- (i) school-to-work transition;
- (ii) new methods of imparting literacy skills and basic education,
- (iii) new training techniques (including projects undertaken with the private sector);
- (iv) methods to eliminate artificial barriers to employment;
- (v) approaches that foster participation of groups that encounter special problems in the labor market (such as displaced homemakers, teen parents, welfare recipients, and older individuals);
- (vi) processes that demonstrate effective methods for alleviating the adverse effects of dislocations and plant closings on workers and their communities; and
- (vii) cooperative ventures among business, industry, labor, trade associations, community-based organizations or nonprofit organizations to develop new and cost-effective approaches to improving work force literacy.

(2) EVALUATION COMPONENT.—Demonstration programs assisted under this subsection shall include a formal, rigorous evaluation component. Pilot programs assisted under this subsection shall include an appropriate evaluation component.

(3) SPECIAL RULE.—No demonstration program under this subsection shall be assisted under this section for a period of more than 7 years. No pilot program under this subsection shall be assisted under this section for a period of more than 3 years.

## (d) EVALUATION.—

## (1) PROGRAMS.—

(A) JOB TRAINING PROGRAMS.—The Secretary shall provide for the continuing evaluation of programs conducted under this Act, including the cost effectiveness of the program in achieving the purposes of this Act.



(v) the Federal unemployment insurance program under titles III, IX, and XII of the Social Security Act (42 U.S.C. 501 et seq., 1101 et seq., and 1321 et seq.).

(2) TECHNIQUES.—

(A) METHODS.—Evaluations conducted under paragraph (1) shall utilize sound statistical methods and techniques of the behavioral and social sciences, including random assignment methodologies if feasible.

(B) ANALYSIS.—Such evaluations may include cost-benefit analysis of programs, the impact of the programs on community and participants, the extent to which programs meet the needs of various demographic groups, and the effectiveness of the delivery systems used by various programs.

(C) EFFECTIVENESS.—The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to—

(i) the statutory goals;

(ii) the performance standards established by the Secretary; and

(iii) the extent to which such programs enhance the employment and earnings of participants, reduce income support costs, improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs, and, to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs.

(29 U.S.C. 1732) Enacted September 7, 1992, P.L. 102-367, sec. 402(a)(2), 106 Stat. 1078.

CAPACITY BUILDING, INFORMATION, DISSEMINATION, AND  
REPLICATION ACTIVITIES

SEC. 453. (a) NATIONAL STRATEGY.—The Secretary shall develop a national strategy for carrying out the activities described in subsection (b)(2) and the replication of programs described in subsection (c), and shall ensure the implementation of the national strategy.

(b) NETWORK.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Capacity Building and Information and Dissemination Network (referred to in this section as the "Network") to enhance the effectiveness of and to strengthen the caliber of services provided through programs authorized under this Act and other Federal, State, and local employment and training programs.

(B) ADMINISTRATION.—The Secretary shall establish and maintain such Network—

(i) directly;

(ii) under an interagency agreement; or

(iii) through a grant or contract awarded on a competitive basis to a single entity, or to a system of enti-

ties coordinated by the Secretary, with appropriate expertise.

(2) ACTIVITIES.—The Network shall—

(A) provide, coordinate, and support the development of, appropriate training, technical assistance, staff development, and other activities that will—

(i) enhance the skills, knowledge, and expertise of the personnel who staff employment and training and other closely related human service systems, including service providers;

(ii) improve the quality of services provided to individuals served under this Act and other Federal employment and training programs and encourage integrated service delivery under such programs using—

(I) where cost effective, interactive communication systems and satellite technology; and

(II) where possible, staff trained in a variety of Federal human resource programs;

(iii) improve the planning, procurement, and contracting practices pursuant to this Act; and

(iv) provide broad human services policy and planning training to—

(I) private industry council volunteers; and

(II) where appropriate, members of State human resource investment councils and other State councils;

(B) prepare and disseminate staff training curricula and materials, primarily using computer-based technologies, for employment and training professionals and support staff, that focus on enhancing staff competencies and professionalism, including instruction on the administrative requirements of this Act, such as procurement and contracting standards and regulations; and

(C)(i) identify, develop, disseminate, and provide training in the techniques learned from, innovative and successful program models, materials, methods, and information, by using computer-based technologies for organizing a data base and dissemination and communication system for the Network, and establishing a computer-based communications and dissemination methodology to share information among employment and training personnel and institutions; and

(ii) in identifying such program models, ensure that consideration shall be given to—

(I) the size and scope of the program;

(II) the length of time that the program has been operating;

(III) the nature and reliability of measurable outcomes for the program;

(IV) the capacity of the sponsoring organization to provide the technical assistance necessary for States and service delivery areas to replicate the program; and

(V) the likelihood that the program will be successful in diverse economic, geographic, and cultural environments.

(3) CHARGES.—The Network may require cost-sharing to offset the actual costs of institute training, materials acquisition, or information dissemination. Any resulting income shall be used in accordance with section 141(m).

(4) COORDINATION.—

(A) IN GENERAL.—The Secretary shall consult with the Secretaries of Education and Health and Human Services, as appropriate, to coordinate the activities of the Network with other relevant institutes, centers, laboratories, clearinghouses, or dissemination networks, such as the National Diffusion Network.

(B) COORDINATION WITH REPLICATION GRANT PROGRAM.—To the extent possible, the Network shall coordinate the activities of the Network with activities assisted under the replication grant program conducted under subsection (c).

(c) REPLICATION.—

(1) REPLICATION PROGRAM AUTHORIZED.—The Secretary shall make competitive grants to public or private nonprofit organizations for technical assistance, and to States and service delivery areas for planning and program development, to promote the replication of employment and training programs that are successful in improving the employment prospects of populations served under this Act and that are replicable on a large scale. In making such grants, the Secretary shall consider the recommendations described in paragraph (2)(B) of the review panel established under paragraph (2)(A) regarding such programs.

(2) REVIEW PANEL.—

(A) ESTABLISHMENT.—The Secretary shall establish a review panel comprised of not more than 6 individuals appointed by the Secretary who are recognized experts in the operation and evaluation of employment and training programs for economically disadvantaged youth and adults, and dislocated workers.

(B) RECOMMENDATIONS.—The review panel shall make recommendations to the Secretary regarding model programs that the panel considers likely to be successful in improving such employment prospects of populations served under this Act and to be replicable on a large scale.

(C) CONSIDERATIONS.—In recommending such programs the review panel shall use the considerations described in subsection (b)(2)(C)(ii).

(D) MEETINGS.—The review panel shall meet not more than once each year to carry out the responsibilities described in this paragraph.

(E) CONFLICT OF INTEREST.—No member of such panel shall have a direct financial interest in or affiliation with a potential recipient of funds under the program authorized by this section.

(3) APPLICATIONS.—

(A) **NONPROFIT ORGANIZATION.**—Any public or private nonprofit organization desiring to receive such a grant to provide the technical assistance necessary for program replication may submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(B) **STATE; SERVICE DELIVERY AREA.**—Any State or service delivery area desiring to receive such a grant for planning and program development associated with a replication effort shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(C) **CONTENTS.**—Each application described in subparagraph (A) or (B) shall contain—

(i) a description of the program proposed for replication and available evidence of the success of the program in improving the employment prospects of economically disadvantaged youth and adults, and dislocated workers, within each such service delivery area; and

(ii) in the case of applications described in subparagraph (A), an assurance that the organization will enter into an agreement with the service delivery areas in which the program is to be replicated, to participate in the replication program.

(4) **GRANT LIMITATIONS.**—

(A) **LIMITATION.**—In any 3-year period the Secretary shall not approve grants for the same replication activities in more than 10 States or communities. During such 3-year period, the results of such limited replication efforts shall be carefully evaluated and examined by the Secretary regarding the advisability of replicating the model program in more than 10 States or communities or for longer than 3 years.

(B) **WAIVER.**—The Secretary may waive the limitation set forth in subparagraph (A) for a program if immediate

(2) **ELIGIBILITY.**—A State that receives an amount under section 202(c)(1)(A) for a fiscal year that is less than \$500,000 shall be eligible to receive a grant under this subsection for the fiscal year.

(3) **AMOUNT OF GRANT.**—The amount of a grant awarded to a State for a fiscal year under paragraph (1) shall not exceed the lesser of—

(A) \$100,000; or

(B) the difference obtained by subtracting from \$500,000 the amount received by the State for the fiscal year under section 202(c)(1)(A).

(4) **AWARD OF GRANTS.**—In determining whether to award a grant to a State under paragraph (1), and in determining the amount of such a grant, the Secretary shall take into account the demonstrated need of the State to receive such a grant, as indicated by—

(A) the number of service delivery areas in the State; and

(B) the demonstrated insufficiency of resources of the State to administer State responsibilities under sections 121 and 122.

(5) **APPLICATION.**—To be eligible to receive a grant under this subsection for a fiscal year, a State shall submit an application at such time, in such manner, and containing such information as the Secretary may require, including sufficient information to enable the Secretary to make the determinations described in paragraph (4).

(6) **USE OF FUNDS.**—The Secretary shall make available to carry out subsections (b) and (c) any amounts reserved under section 3(c)(2)(B)(ii)(III) for a fiscal year and not expended to make grants under paragraph (1) for such year.

(29 U.S.C. 1733) Enacted September 7, 1992, P.L. 102-367, sec. 403(a)(3), 106 Stat. 1080.

#### GUIDANCE ON ELIGIBILITY VERIFICATION

**SEC. 454. (a) ESTABLISHMENT.**—The Secretary shall provide guidance and technical assistance, to States and service delivery areas, relating to the documentation required to verify the eligibility of participants under parts A, B, and C of title II of this Act, particularly the hard-to-serve individuals specified in section 203(b) and subsections (b) and (d) of section 263. Such documentation shall, to the extent practicable, be uniform and standard.

(b) **GUIDANCE.**—The guidance provided pursuant to subsection (a), while maintaining program integrity, shall—

(1) limit the documentation burden to the minimum necessary to adequately verify such eligibility; and

(2) ensure, to the extent practicable, that the documentation requirements shall not discourage the participation of eligible individuals.

(c) **CONTENTS.**—The guidance provided pursuant to subsection (a) shall specifically address income eligibility, assessment, the determination regarding whether an individual is a hard-to-serve individual, and specific uniform or standardized documentation forms and procedures (including simplified standardized forms, automated

intake procedures, and self-certification documents) and other documentation proxies (such as JOBS and Job Corps eligibility forms).

(d) DATE.—The Secretary shall provide the guidance described in subsection (a) not later than December 18, 1992.

(20 U.S.C. 1734) Enacted September 7, 1992, P.L. 102-367, sec. 403(b), 106 Stat. 1084.

#### UNIFORM REPORTING REQUIREMENTS

SEC. 455. (a) FINDING.—Congress finds that closer coordination and more effective use of resources among a variety of employment and training programs can be facilitated if the programs have common data elements and definitions.

(b) DATA ELEMENTS.—The Secretaries of Labor, Education, and Health and Human Services, in consultation with other appropriate departments and with the National Occupational Information Coordinating Committee, shall identify a core set of consistently defined data elements for employment and training programs, including those funded under titles II, III, and IV of this Act, the Wagner-Peyser Act (29 U.S.C. 49 et seq.), the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), the JOBS program, and title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(c) REPORT.—The Secretary shall prepare and submit to Congress not later than January 1, 1994, a report listing recommended data elements and their definitions, and containing an analysis of the benefits of the adoption of the data elements and definitions.

(d) CONSULTATION.—The Secretary shall consult with experts and practitioners, at the Federal, State, and local levels and in the various program areas, in fulfilling the requirements of this section. The Secretary shall also consult with the General Accounting Office in fulfilling the requirements of this section.

(29 U.S.C. 1735) Enacted September 7, 1992, P.L. 102-367, sec. 404(a), 106 Stat. 1084.

#### NONTRADITIONAL EMPLOYMENT DEMONSTRATION PROGRAM

SEC. 456. (a)(1) From funds available under this part for each of the fiscal years 1992, 1993, 1994, and 1995, the Secretary shall use \$1,500,000 in each such fiscal year to make grants to States to develop demonstration and exemplary programs to train and place women in nontraditional employment.

(2) The Secretary may award no more than 6 grants in each fiscal year.

(b) In awarding grants pursuant to subsection (a), the Secretary shall consider—

(1) the level of coordination between the Job Training Partnership Act and other resources available for training women in nontraditional employment;

(2) the extent of private sector involvement in the development and implementation of training programs under the Job Training Partnership Act;

(3) the extent to which the initiatives proposed by a State supplement or build upon existing efforts in a State to train and place women in nontraditional employment;

(4) whether the proposed grant amount is sufficient to accomplish measurable goals;

(5) the extent to which a State is prepared to disseminate information on its demonstration training programs; and

(6) the extent to which a State is prepared to produce materials that allow for replication of such State's demonstration training programs.

(c)(1) Each State receiving financial assistance pursuant to this section may use such funds to—

(A) award grants to service providers in the State to train and otherwise prepare women for nontraditional employment;

(B) award grants to service delivery areas that plan and demonstrate the ability to train, place, and retain women in nontraditional employment; and

(C) award grants to service delivery areas on the basis of exceptional performance in training, placing, and retaining women in nontraditional employment.

(2) Each State receiving financial assistance pursuant to subsection (c)(1)(A) may only award grants to—

(A) community based organizations,

(B) educational institutions, or

(C) other service providers,

that have demonstrated success in occupational skills training.

(3) Each State receiving financial assistance under this section shall ensure, to the extent possible, that grants are awarded for training, placing, and retaining women in growth occupations with increased wage potential.

(4) Each State receiving financial assistance pursuant to subsection (c)(1)(B) or (c)(1)(C) may only award grants to service delivery areas that have demonstrated ability or exceptional performance in training, placing, and retaining women in nontraditional employment that is not attributable or related to the activities of any service provider awarded funds under subsection (c)(1)(A).

(d) In any fiscal year in which a State receives a grant pursuant to this section such State may retain an amount not to exceed 10 percent of such grant to—

(1) pay administrative costs,

(2) facilitate the coordination of statewide approaches to training and placing women in nontraditional employment, or

(3) provide technical assistance to service providers.

(e) The Secretary shall provide for evaluation of the demonstration programs carried out pursuant to this section, including evaluation of the demonstration programs' effectiveness in—

(1) preparing women for nontraditional employment, and

(2) developing and replicating approaches to train and place women in nontraditional employment.

(29 U.S.C. 1737) Enacted December 12, 1991, P.L. 102-235, sec. 9, 105 Stat. 1809; amended September 7, 1992, P.L. 102-367, sec. 403(a)(5), 106 Stat. 1084.

## PART E—LABOR MARKET INFORMATION

### LABOR MARKET INFORMATION; AVAILABILITY OF FUNDS

SEC. 461. (a) The Secretary shall set aside, out of sums available to the Department for any fiscal year including sums available

for this title, such sums as may be necessary to maintain a comprehensive system of labor market information on a national, regional, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion.

(b) Funds available for purposes of this part shall also be available for purposes of section 125 (relating to State labor market information).

(c) Notwithstanding any other provision of law, funds available to other Federal agencies for carrying out chapter 35 of title 44, United States Code, the Carl D. Perkins Vocational Education Act, and the Act of June 6, 1933 (popularly known as the Wagner-Peyser Act), may be made available by the head of each such agency to assist in carrying out the provisions of this part.

(29 U.S.C. 1751) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1383, amended October 19, 1984, P.L. 98-524, sec. 4(a)(5), 98 Stat. 2488.

#### COOPERATIVE LABOR MARKET INFORMATION PROGRAM

SEC. 462. (a) The Secretary shall develop and maintain for the Nation, State, and local areas, current employment data by occupation and industry, based on the occupational employment statistics program, including selected sample surveys, and projections by the Bureau of Labor Statistics of employment and openings by occupation.

(b) The Secretary shall maintain descriptions of job duties, training and education requirements, working conditions, and characteristics of occupations.

(c) In carrying out the provisions of this section, the Secretary shall assure that—

(1) departmental data collecting and processing systems are consolidated to eliminate overlap and duplication;

(2) the criteria of chapter 35 of title 44, United States Code, are met; and

(3) standards of statistical reliability and national standardized definitions of employment, unemployment, and industrial and occupational definitions are used.

(d)(1) The Secretary is authorized to develop data for an annual statistical measure of labor market related economic hardship in the Nation. Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary part-time employment, and full-time employment at wages less than the poverty level.

(2) The Secretary is authorized to develop and maintain, on national, State, local, and other appropriate bases, household budget data at different levels of living, including a level of adequacy, to reflect the differences of household living costs in regions and localities, both urban and rural.

(3) The Secretary shall publish, at least annually, a report relating labor force status to earnings and income.

(e) The Secretary shall develop and maintain statistical data relating to permanent lay-offs and plant closings. The Secretary shall publish a report based upon such data, as soon as practicable, after the end of each calendar year. Among the data to be included are—

(1) the number of such closings;



- (2) the number of workers displaced;
- (3) the location of the affected facilities; and
- (4) the types of industries involved.

(f)(1) The Secretary shall develop, in coordination with the Secretary of Agriculture, statistical data relating to permanent dislocation of farmers and ranchers due to farm and ranch failures. Among the data to be included are—

- (A) the number of such farm and ranch failures;
- (B) the number of farmers and ranchers displaced;
- (C) the location of the affected farms and ranches;
- (D) the types of farms and ranches involved; and
- (E) the identification of farm family members, including spouses, and farm workers working the equivalent of a full-time job on the farm who are dislocated by such farm and ranch failures.

(2) The Secretary shall publish a report based upon such data as soon as practicable after the end of each calendar year. Such report shall include a comparison of data contained therein with data currently used by the Bureau of Labor Statistics in determining the Nation's annual employment and unemployment rates and an analysis of whether farmers and ranchers are being adequately counted in such employment statistics. Such report shall also include an analysis of alternative methods for reducing the adverse effects of displacements of farmers and ranchers, not only on the individual farmer or rancher, but on the surrounding community.

(g)(1) Taking into consideration research previously conducted by the National Commission for Employment Policy and other entities, the Commissioner of Labor Statistics, in cooperation with the States, shall determine appropriate procedures for establishing a nationwide database containing information on the quarterly earnings, establishment and industry affiliation, and geographic location of employment, for all individuals for whom such information is collected by the States.

(2) The Commissioner of Labor Statistics shall determine appropriate procedures for maintaining such information in a longitudinal manner and for making such information available for policy research or program evaluation purposes or both, while ensuring the confidentiality of information and the privacy of individuals.

(3) The Secretary shall prepare and submit to the Congress, not later than 12 months after the date of enactment of the Job Training Reform Amendments of 1992, a report that shall describe the costs and benefits, including savings on program followup surveys, of a nationwide database containing the information described in paragraph (1) and a schedule that would allow for the establishment of such a database.

(29 U.S.C. 1752) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1384; amended August 23, 1988, P.L. 100-418, sec. 6306(a), 102 Stat. 1540; amended September 7, 1992, P.L. 102-367, secs. 405(a), 702(a)(16), 106 Stat. 1085, 1112.

#### SPECIAL FEDERAL RESPONSIBILITIES

SEC. 463. (a) The Secretary, in cooperation with the Secretary of Commerce, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Education, the Secretary of Health and Human Services, and the Director of the Office of Management and

Budget, through the National Occupational Information Coordinating Committee established under section 422 of the Carl D. Perkins Vocational Education Act, shall—

(1) review the need for and the application of all operating national data collection and processing systems related to labor market information in order to identify gaps, overlap, and duplications, and integrate at the national level currently available data sources in order to improve the management of information systems;

(2) maintain, assure timely review, and implement national standardized definitions with respect to terms, geographic areas, timing of collection, and coding measures related to labor market information, to the maximum extent feasible; and

(3) provide technical assistance to the States in the development, maintenance, and utilization of labor market/occupational supply and demand information systems and projections of supply and demand as described in section 125, with special emphasis on assistance in the utilization of cost-efficient automated systems and improving access of individuals to career opportunities information in local and State labor markets.

(b) The Secretary, in cooperation with the Secretary of Defense, shall assure the development of an integrated occupational supply and demand information system to be used by States and, in particular, in secondary and postsecondary educational institutions in order to assure young persons adequate information on career opportunities in the Armed Forces.

(c) The Secretary and the Director of the Office of Management and Budget shall assure that, from the funds reserved for this part, sufficient funds are available to provide staff at the Federal level to assure the coordination functions described in this section.

(29 U.S.C. 1753) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1384; amended December 31, 1982, P.L. 97-404, sec. 4(d), 96 Stat. 2027; amended October 19, 1984, P.L. 98-524, sec. 4(a)(6), 98 Stat. 2488; amended September 7, 1992, P.L. 102-367, sec. 405(b), 106 Stat. 1085.

#### NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE

SEC. 464. (a)(1) Of the amounts available for this part for each fiscal year, \$6,000,000 is authorized to be reserved for the National Occupational Information Coordinating Committee (established pursuant to section 422 of the Carl D. Perkins Vocational Education Act).

(2) In addition to the members required by such Act, the Committee shall include the Assistant Secretary of Commerce for Economic Development and the Assistant Secretary of Defense Force Management and Personnel.

(3) Not less than 75 percent of the funds transferred by the Secretary to the National Occupational Information Coordinating Committee shall be used to support State occupational information coordinating committees and other organizational units designated under section 125 for carrying out State labor market information programs.

(b) In addition to its responsibilities under the Carl D. Perkins Vocational Education Act, the National Occupational Information Coordinating Committee shall—

(1) carry out the provisions of section 463;

(2) give special attention to the career development and labor market information needs of youth and adults, including activities such as (A) assisting and encouraging States to adopt methods of translating national occupational outlook information into State and local terms; (B) assisting and encouraging the development of State occupational information systems, including career information delivery systems and the provision of technical assistance for programs of on-line computer systems and other facilities to provide career information at sites such as local schools, public employment service offices, and job training programs authorized under this Act; (C) in cooperation with educational agencies and institutions, encouraging programs providing career information, counseling, and employment services for postsecondary youth; and (D) in cooperation with State and local correctional agencies, encouraging programs of counseling and employment services for youth and adults in correctional institutions;

(3) provide training and technical assistance, and continuing support to State occupational information coordinating committees, in the development, maintenance, and use of occupational supply and demand information systems, with special emphasis on the use of cost efficient automated systems for delivering occupational information to planners and administrators of education and training programs and on improving the access of such planners and administrators to occupational information systems;

(4) publish at least annually a report on the status of occupational information capabilities at the State and national levels, which may include recommendations for improvement of occupational information production and dissemination capabilities;

(5) conduct research and demonstration projects designed to improve any aspect of occupational and career information systems and coordination and compatibility of human resources data systems operated by Federal agencies or the States, including systems to assist economic development activities and, where appropriate, provide support to States in the implementation of such system improvements.<sup>1</sup>;

(6) provide technical assistance for programs designed to encourage public and private employers to list all available job opportunities with occupational information and career counseling programs conducted by administrative entities and with local public employment service offices and to encourage co-

<sup>1</sup> section 405(c)(2)(B) of P.L. 102-367, amended this paragraph by inserting "and compatibility of human resources data systems operated by Federal agencies including systems to assist economic development activities and, where appropriate to States in the implementation of such system improvements." after "occupational and career information systems". The period preceeding the semi-

operation and contact among such employers and such administrative entities and public employment service offices; and

(7) provide assistance to units of general local government and private industry councils to familiarize them with labor market information resources available to meet their needs.

(c) All funds available to the National Occupational Information Coordinating Committee under this Act, under section 422 of the Carl D. Perkins Vocational Education Act, and under section 12 of the Career Education Act may be used by the Committee to carry out any of its functions and responsibilities authorized by law.

(29 U.S.C. 1754) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1385; amended December 31, 1982, P.L. 97-404, sec. 4(e), 96 Stat. 2027; amended October 19, 1984, P.L. 98-524, sec. 4(a)(6), 98 Stat. 2488; amended September 7, 1992, P.L. 102-367, sec. 405(c), 106 Stat. 1085.

#### JOB BANK PROGRAM

SEC. 465. The Secretary is authorized to establish and carry out a nationwide computerized job bank and matching program (including the listing of all suitable employment openings with local offices of the State employment service agencies by Federal contractors and subcontractors and providing for the affirmative action as required by section 2012(a) of title 38, United States Code, on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available individuals and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged individuals with employer requirements and job opportunities, and referring and placing such individuals in jobs. An occupational information file may be developed, containing occupational projections of the numbers and types of jobs on regional, State, local, and other appropriate bases, as well as labor supply information by occupation.

(29 U.S.C. 1755) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1386.

#### PART F—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

##### STATEMENT OF PURPOSE

SEC. 471. The purpose of this part is to establish a National Commission for Employment Policy which shall have the responsibility for examining broad issues of development, coordination, and administration of employment and training programs, and for advising the President and the Congress on national employment and training issues. For the purpose of providing funds for the Commission, the Secretary shall reserve \$2,000,000 of the sums appropriated for this title for each fiscal year.

(29 U.S.C. 1771) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1387.

##### COMMISSION ESTABLISHED

SEC. 472. (a) There is established a National Commission for Employment Policy (hereinafter in this part referred to as the "Commission"). The Commission shall be composed of 15 members,

appointed by the President. The members of the Commission shall be individuals who are nationally prominent and the Commission shall be broadly representative of agriculture, business, labor, commerce, education (including elementary, secondary, postsecondary, and vocational and technical education), veterans, current State and local elected officials, community-based organizations, assistance programs, and members of the general public with expertise in human resource development or employment and training policy. The membership of the Commission shall be generally representative of significant segments of the labor force, including women and minority groups.

(b) The term of office of each member of the Commission appointed by the President under subsection (a) shall be three years, except that—

(1) any such member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and

(2) of such members first taking office—

(A) five shall serve for terms of one year;

(B) five shall serve for terms of two years; and

(C) five shall serve for terms of three years;

as designated by the President at the time of appointment.

(c)(1) The Chairman shall be selected by the President.

(2) The Commission shall meet not fewer than three times each year at the call of the Chairman.

(3) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings. Any recommendation may be passed only by a majority of the members present. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

(d) The Chairman (with the concurrence of the Commission) shall appoint a Director, who shall be chief executive officer of the Commission and shall perform such duties as are prescribed by the Chairman.

(29 U.S.C. 1772) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1387; amended October 19, 1984, P.L. 98-524, sec. 4(a)(7), 98 Stat. 2488; amended September 7, 1992, P.L. 102-367, sec. 702(a)(17), 106 Stat. 1112.

#### FUNCTIONS OF THE COMMISSION

SEC. 473. The Commission shall—

(1) identify the employment goals and needs of the Nation, and assess the extent to which employment and training, vocational education, institutional training, vocational rehabilitation, economic opportunity programs, public assistance policies, employment-related tax policies, labor exchange policies, and other policies and programs under this Act and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

(2) develop and make appropriate recommendations designed to meet the needs and goals described in clause (1);

(3) examine and evaluate the effectiveness of federally assisted employment and training programs (including programs assisted under this Act), with particular reference to the con-

tributions of such programs to the achievement of objectives sought by the recommendations made under clause (2);

(4) advise the Secretary on the development of national performance standards and the parameters of variations of such standards for programs conducted pursuant to this Act;

(5) evaluate the impact of tax policies on employment and training opportunities;

(6) examine and evaluate major Federal programs which are intended to, or potentially could, contribute to achieving major objectives of existing employment and training and related legislation or the objectives set forth in the recommendations of the Commission, and particular attention shall be given to the programs which are designed, or could be designed, to develop information and knowledge about employment and training problems through research and demonstration projects or to train personnel in fields (such as occupational counseling, guidance, and placement) which are vital to the success of employment and training programs;

(7) identify the employment and training and vocational education needs of the Nation and assess the extent to which employment and training, vocational education, rehabilitation, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs.

(8) study and make recommendations on how, through policies and actions in the public and private sectors, the Nation can attain and maintain full employment, with special emphasis on the employment difficulties faced by the segments of the labor force that experience differentially high rates of unemployment;

(9) identify and assess the goals and needs of the Nation with respect to economic growth and work improvements, including conditions of employment, organizational effectiveness and efficiency, alternative working arrangements, and technological changes;

(10) evaluate the effectiveness of training provided with Federal funds in meeting emerging skill needs; and

(11) study and make recommendations on the use of advanced technology in the management and delivery of services and activities conducted under this Act.

(29 U.S.C. 1773) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1388; amended October 19, 1984, P.L. 98-524, sec. 4(a)(8), 98 Stat. 2488; amended September 7, 1992, P.L. 102-367, sec. 702(a)(18), 106 Stat. 1112.

#### ADMINISTRATIVE PROVISIONS

SEC. 474. (a) Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

(1) prescribe such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such staff personnel as the Chairman deems necessary, and without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53

of such title, relating to classification and the General Schedule pay rates, appoint not to exceed five additional professional personnel;

(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code;

(4) accept voluntary and uncompensated services of professional personnel, consultants, and experts, notwithstanding any other provision of law;

(5) accept in the name of the United States and employ or dispose of gifts or bequests to carry out the functions of the Commission under this title;

(6) enter into contracts and make such other arrangements and modifications, as may be necessary;

(7) conduct such studies, hearings, research activities, demonstration projects, and other similar activities as the Commission deems necessary to enable the Commission to carry out its functions under this title;

(8) use the services, personnel, facilities, and information of any department, agency, and instrumentality of the executive branch of the Federal Government and the services, personnel, facilities, and information of State and local public agencies and private research agencies, with the consent of such agencies, with or without reimbursement therefor; and

(9) make advances, progress, and other payments necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529).

(b) Upon request made by the Chairman of the Commission, each department, agency, and instrumentality of the executive branch of the Federal Government is authorized and directed to make its services, personnel, facilities, and information (including computer-time, estimates, and statistics) available to the greatest practicable extent to the Commission in the performance of its functions under this Act.

(29 U.S.C. 1774) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1389.

## REPORTS

SEC. 475. The Commission shall make at least annually a report of its findings and recommendations to the President and to the Congress. The Commission may make such interim reports or recommendations to the Congress, the President, the Secretary, or to the heads of other Federal departments and agencies, and in such form, as it may deem desirable. The Commission shall include in any report made under this section any minority or dissenting views submitted by any member of the Commission.

(29 U.S.C. 1775) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1389.

## PART G—TRAINING TO FULFILL AFFIRMATIVE ACTION OBLIGATIONS

### AFFIRMATIVE ACTION

SEC. 481. (a) A contractor subject to the affirmative action obligations of Executive Order 11246, as amended, issued September 24, 1965, may establish or participate in training programs pursuant to this section for individuals meeting the eligibility criteria es-

established in sections 203(a)(1)<sup>1</sup>, 401, and 402, which are designed to assist such contractors in meeting the affirmative action obligations of such Executive order. To qualify under this section, such a training program shall contain—

(1) a description of the jobs in the contractor's work force or in the service delivery area, for which the contractor has determined there is a need for training;

(2) a description of the recruiting, training, or other functions that the contractor, or the organization that will be engaged to perform the training, will perform and the steps that will be taken to insure that eligible individuals will—

(A) be selected for participation in training,

(B) be trained in necessary skills, and

(C) be referred for job openings,

in accordance with the objectives of such Executive order;

(3) whenever an organization other than the contractor will perform the training, a description of the demonstrated effectiveness of the organization as a provider of employment and training services;

(4) a description of how the contractor will monitor the program to keep an accurate accounting of all trainees, including (A) whether the trainees successfully complete the training program, and (B) whether the trainees are or are not placed; and

(5) an estimation of the cost of the program and an assurance that the contractor will assume all costs of the program or the pro rata share of costs to the contractor of the program.

(b)(1)(A) If the training proposal is designed to meet the needs of the community rather than, or in addition to, the employment needs of the contractor, and has not been approved by another Federal agency, the program shall be submitted to the private industry council established under section 102 for a determination that there is a need for such training in the community.

(B) Individuals trained under any program satisfying the requirements of this section may be included by the private industry council in its performance accomplishments and the wage gains of such individuals shall be included in determining the compliance of the job training program of the private industry council with applicable standards.

(2) The Director of the Office of Federal Contract Compliance Programs, Department of Labor, shall promulgate regulations setting forth how the Office will determine, during a compliance review, the degree to which a training program will satisfy the contractor's affirmative action obligations. The training and placement of trainees with employers other than the contractor may be considered in evaluating such contractor's overall good faith efforts, but in no event may placement of trainees with employers other than the contractor be permitted to affect that contractor's affirmative action obligations respecting its work force. The content of the training program will not be subject to review or regulation by the Office of Federal Contract Compliance Programs. If during a com-

<sup>1</sup> Section 702(a)(19) of P.L. 102-367, instructed to strike "section 203(a)(1)" and inserting "section 203, 263". The amendment probably should have struck "sections 201(a)(1)" and inserted "sections 203, 263".



pliance review the Director of the Office of Federal Contract Compliance Programs determines that a training program does not comply with its regulations, the Director shall—

(A) notify the contractor of the disapproval,

(B) set forth the reasons for the disapproval, and

(C) provide a list of recommendations which, if accepted, will qualify the training program under this section.

(3) A contractor who has a training program which contains the criteria set forth in subsection (a) and which is in accordance with regulations promulgated under paragraph (2) of this subsection shall continue to meet the affirmative action obligations of Executive Order 11246, as amended, but the contractors required to maintain a written affirmative action program need only maintain an abbreviated affirmative action program, the content and length of which shall be determined by the Director of the Office of Federal Contract Compliance Programs, to satisfy the written affirmative action program portion of their obligations under Executive Order 11246, as amended. Successful performance or operation of a training program meeting the criteria set forth in subsection (a) shall create a presumption that the contractor has made a good faith effort to meet its affirmative action obligations to the degree specified by the Director under paragraph (2) of this subsection, but that presumption shall not be applicable to the satisfaction of other affirmative action obligations not directly related to the training and hiring requirements of this section, or other affirmative action obligations not affected by this section. For the purpose of the preceding sentence, "successful performance or operation" means training and placing in jobs a number of individuals which bears a reasonable relationship to the number of job openings in the contractors's facilities or in the relevant labor market area.

(c) Nothing in this section may be interpreted—

(1) to compel contractor involvement in such programs,

(2) to establish the exclusive criteria by which a contractor can be found to have fulfilled its affirmative action obligations,

(3) to provide authority for imposing any additional obligations on contractors not participating in such training activities,

(4) to permit the Office of Federal Contract Compliance Programs to intervene or interfere with the authority and responsibilities of the private industry councils,

(5) to restrict or limit the authority of the Secretary to investigate the employment practices of any Government contractor, to initiate such investigation by the Director, to determine whether any nondiscrimination contractual provisions have been violated, or to enforce Executive Order 11246, or

(6) to prohibit the Secretary or the Director, or other authorized officers of the United States, from requesting or compelling any contractor preparing and maintaining a short form affirmative action plan under subsection (b) to provide information necessary to conduct a compliance review or to provide data necessary to determine whether any violation of Executive Order 11246 has occurred.

## PART H—YOUTH FAIR CHANCE PROGRAM

## SEC. 491. STATEMENT OF PURPOSE.

It is the purpose of the Youth Fair Chance program under this part to—

(1) ensure access to education and job training assistance for youth residing in high poverty areas of urban and rural communities;

(2) provide a comprehensive range of education, training, and employment services to disadvantaged youth who are not currently served or are underserved by Federal education and job training programs;

(3) enable communities with high concentrations of poverty to establish and meet goals for improving the opportunities available to youth within the community; and

(4) facilitate the coordination of comprehensive services to serve youth in such communities.

(29 U.S.C. 1782) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat. 1086.

## SEC. 492. PROGRAM AUTHORIZED.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary is authorized to establish a national program of Youth Fair Chance grants to pay the Federal share attributable to this part of providing comprehensive services to youth living in high poverty areas in the cities and rural areas of the Nation.

## (b) ELIGIBILITY FOR GRANTS.—

(1) RECIPIENTS.—The Secretary may only award grants under this part to—

(A) the service delivery area (on behalf of the participating community) in which a target area is located;

(B) in the case of a grant involving a target area located in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; or

(C) in the case of a grant involving a target area located in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.

## (2) NUMBER OF GRANTS.—

(A) IN GENERAL.—The Secretary may award not more than 25 grants during the first fiscal year that the program is authorized.

(B) INDIAN RESERVATIONS AND ALASKA NATIVE VILLAGES.—In awarding grants under this part during the first 5 fiscal years that the program is assisted, the Secretary shall award—

(i) at least 1 grant to a grantee or consortium described in paragraph (1)(B); and

(ii) at least 1 grant to a grantee or consortium described in paragraph (1)(C).

## (c) RENEWABILITY OF GRANTS.—

(1) IN GENERAL.—Grants awarded under this part shall be for a 1-year period. Such a grant shall be renewable for each of the 2 succeeding fiscal years if the Secretary determines the

grant recipient complied with conditions of the grant during the previous fiscal year.

(2) **EXTENSION.**—The Secretary may extend the renewal period set forth in paragraph (1) for an additional 2 fiscal years on reapplication.

(d) **FACTORS FOR AWARDS.**—In awarding grants under this part, the Secretary shall consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent of community support, other Federal and non-Federal funds available for similar purposes, and additional State, local, or private resources that will be provided. The Secretary shall give priority to participating communities with the highest poverty rates.

(29 U.S.C. 1782a) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat. 1086.

#### **SEC. 493. APPLICATION.**

(a) **ELIGIBILITY TO APPLY.**—Participating communities that have the highest concentrations of poverty, as determined by the Secretary based on the latest Bureau of the Census estimates, shall be eligible to apply for a Youth Fair Chance grant.

(b) **CONTENTS OF APPLICATION.**—

(1) **IN GENERAL.**—Each participating community desiring a grant under this part shall, through the individuals set forth in subsection (c), submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) **CONTENTS.**—Each such application shall—

(A) include a comprehensive plan for the Youth Fair Chance initiative designed to achieve identifiable goals for youth in the target area;

(B) set forth measurable program goals and outcomes, which may include increasing the proportion of—

(i) youth completing high school or its equivalent;

(ii) youth entering into postsecondary institutions, apprenticeships, or other advanced training programs;

(iii) youth placed in jobs; or

(iv) youth participating in education, training, and employment services;

(C) include supporting goals for the target area such as increasing security and safety, or reducing the number of drug-related arrests;

(D) provide assurances that the applicant will comply with the terms of the agreement described in section 494;

(E) demonstrate how the participating community will make use of the resources, expertise, and commitment of institutions of higher education, educational agencies, and vocational and technical schools and institutes;

(F) provide an assurance that all youth in the target areas will have access to a coordinated and comprehensive range of education and training opportunities that serve the broadest range of youth interests and needs and simultaneously mobilizes the diverse range of education and training providers in the participating community;

(G) provide assurances that the youth in the target area will have access to supportive services necessary for successful participation, including such services as child care, transportation, and assistance in resolving personal or family crises, such as crises related to substance abuse, homelessness, migration, and family violence;

(H) include a description of a system of common intake procedures or sites, individualized assessment, and case management to be used by the program;

(I) demonstrate how the participating community will make use of the resources, expertise, and commitment of such programs and service providers as—

(i) community-based organizations providing vocational skills, literacy skills, remedial education, and general equivalency preparation, including community-based organizations serving youth with limited-English proficiency;

(ii) youth corps programs, including youth conservation and human service corps;

(iii) Job Corps centers;

(iv) apprenticeship programs; and

(v) other projects and programs funded under this Act;

(J) include an estimate of the expected number of youth in the target area to be served;

(K) include a description of the resources available in the participating community from private, local government, State, and Federal sources that will be used to achieve the goals of the program;

(L) include an estimate of funds required to ensure access to appropriate education, training, and support services for all youth in the target area who seek such opportunities; and

(M) provide evidence of support for accomplishing the stated goals of the participating community from—

(i) local elected officials;

(ii) the local school system;

(iii) appropriate postsecondary education and training institutions;

(iv) the applicable private industry council;

(v) local community leaders;

(vi) business;

(vii) labor organizations; and

(viii) other appropriate organizations.

(c) **SUBMISSION OF APPLICATION.**—The application for funds described in subsection (b) may only be submitted to the Secretary on behalf of a participating community by—

(1) the mayor of a city or the chief elected official in a metropolitan statistical area, after the Governor of the State has had an opportunity to comment on the application;

(2) the chief elected official of a nonmetropolitan county or the designated chief elected official of contiguous nonmetropolitan counties, after the Governor of the State has had an opportunity to comment on the application; or

(3) a grantee or consortium described in subparagraph (B) or (C) of section 492(b)(1) in applications for Native American or migrant or seasonal farmworker communities, respectively.

(29 U.S.C. 1782b) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat 1087

#### SEC. 494. GRANT AGREEMENT.

(a) IN GENERAL.—Each grant recipient receiving a grant under this part on behalf of a participating community shall enter into an agreement with the Secretary.

(b) CONTENTS.—Each such agreement shall—

(1) designate a target area that—

(A) will be the focus of the demonstration project; and

(B) shall have a population of—

(i) not more than 25,000; or

(ii) in an appropriate case, not more than 50,000,

except that in the event that the population of an area from which a high school draws a substantial portion of its enrollment exceeds either limit, the target area may encompass such boundary;

(2) contain assurances that funds provided under this part will be used to support education, training, and supportive activities selected from a set of youth program models designated by the Secretary or from alternative models described in the application and approved by the Secretary, such as—

(A) nonresidential learning centers;

(B) alternative schools;

(C) combined activities including summer remediation, work experience and work readiness training, and school-to-work, apprenticeship, or postsecondary education programs;

(D) teen parent programs;

(E) special programs administered by community colleges;

(F) youth centers;

(G) initiatives aimed at increased rural student enrollment in postsecondary institutions;

(H) public-private collaborations to assure private sector employment and continued learning opportunities for youth; and

(I) initiatives, such as youth corps programs, that combine community and youth service opportunities with education and training activities;

(3) provide that funds received under this part will be used for services to youth ages 14 through 21 at the time of enrollment;

(4) contain assurances that the local educational agency and any other educational agency that operates secondary schools in the target area shall provide such activities and resources as are necessary to achieve the educational goals specified in the application;

(5) contain assurances that the participating community will provide such activities and local resources as are necessary to achieve the goals specified in the application;

(6) contain assurances that the participating community will undertake outreach and recruitment efforts in the target area to encourage, to the maximum extent possible, participation by the disadvantaged youth who are currently unserved, or underserved, by education and training programs, including targeted measures specifically designed to enlist the participation of youth, particularly males, under the jurisdiction of the child welfare, juvenile justice, and criminal justice systems;

(7) provide that the participating community will carry out special efforts to establish coordination with Federal, State, or local programs that serve the target population;

(8) provide assurances that funds provided under this part for a fiscal year will be used only to pay the Federal share attributable to this part of the cost of programs and services not otherwise available in the target area and will supplement, and not supplant, funding from other local, State, and Federal sources available to youth in the target area during the previous year; and

(9) permit funds provided under this part to be used to support paid work experience programs if such programs are combined with other education and training activities.

(29 U.S.C. 1782c) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat 1089.

#### SEC. 495. JOB GUARANTEES.

(a) PROGRAM AUTHORITY.—The Secretary shall permit a reasonable number of the grant recipients under this part to enter into an agreement to provide, in accordance with this section, a job guarantee program to youths meeting prior school attendance and performance standards.

(b) GUARANTEE AGREEMENTS.—A grant recipient providing such a job guarantee program shall enter into an agreement with the Secretary, which agreement shall—

(1) provide that the program be available to youth age 16 to 19 who undertake a commitment to continue and complete their high school education;

(2) require the grant recipient to guarantee employment to each youth undertaking the commitment if such youth meets school attendance and performance standards for the previous school semester, as established by the Secretary in consultation with the Secretary of Education;

(B) limit the duration of such subsidies to not more than 1 year;

(5) require that the employment provided to any such youth shall not exceed 15 hours per week during the school year;

(6) permit employment to continue through the summer following high school graduation, or until the youth reaches age 19, whichever is later; and

(7) contain such other terms and conditions as the Secretary requires by regulation.

(c) **SELECTION OF GRANT RECIPIENTS.**—In determining which grant recipients to permit to enter an agreement under this section, the Secretary shall seek to target funds to areas with the highest poverty rates.

(d) **YOUTH ELIGIBILITY.**—All youth, regardless of income, residing in an eligible high poverty area shall be eligible to participate in the job guarantee program.

(e) **PRIVATE FUNDS.**—Nothing in this section shall be construed to prohibit the grant recipient from raising funds to augment such grant if such funds are utilized under the conditions of the grant, except that such funds shall not be used for administration.

(29 U.S.C. 1782d) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat. 1090.

#### **SEC. 496. PAYMENTS; FEDERAL SHARE.**

(a) **PAYMENTS REQUIRED.**—In any fiscal year, the amount of a grant awarded under this part shall be based on the size of the target area and the extent of the poverty in such area, and shall be of sufficient size and scope to carry out an effective program under this part.

(b) **FEDERAL SHARE.**—The Federal share attributable to this part of the cost of providing comprehensive services as provided in section 492(a) shall be not less than 70 percent for each fiscal year a grant recipient receives assistance under this Act.

(c) **OTHER FEDERAL SOURCES.**—In providing for the remaining share of such cost, each grant recipient may provide not more than 20 percent of such cost from Federal sources other than funds received pursuant to this part.

(d) **NON-FEDERAL SHARE.**—A grant recipient shall provide non-Federal funds in an amount not less than 10 percent of such cost, an in-kind contribution equivalent to such percent (as determined by the Secretary), or a combination thereof.

(29 U.S.C. 1782e) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat. 1091.

#### **SEC. 497. REPORTING.**

The Secretary is authorized to establish such reporting procedures as are necessary to carry out the purposes of this part.

(29 U.S.C. 1782f) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat. 1091.

#### **SEC. 498. FEDERAL RESPONSIBILITIES.**

(a) **IN GENERAL.**—The Secretary shall provide assistance to participating communities in implementing the projects assisted under this part.

(b) **INDEPENDENT EVALUATION.**—

(1) IN GENERAL.—The Secretary shall provide for a thorough, independent evaluation of the Youth Fair Chance program to assess the outcomes of youth participating in programs assisted under this part.

(2) EVALUATION MEASURES.—In conducting the evaluation described in paragraph (1) the Secretary shall include an assessment of—

(A) the impact on youth residing in target areas, including the rates of school completion, enrollment in advanced education or training, and employment of the youth;

(B) the extent to which participating communities fulfilled the goal of guaranteed access to appropriate education, training, and supportive services to all eligible youth residing in target areas who seek to participate;

(C) the effectiveness of guaranteed access to comprehensive services combined with outreach and recruitment efforts in enlisting the participation of previously unserved or underserved youth residing in target areas;

(D) the effectiveness of efforts to integrate service delivery in target areas, including systems of common intake, assessment, and case management; and

(E) the feasibility of extending guaranteed access to comprehensive education, training and support services for youth in all areas of the United States, including possible approaches to incremental extension of such access over time.

(c) REPORT.—The Secretary shall prepare a report detailing the results of the independent evaluation described in subsection (b) and shall submit such report to the Congress not later than December 31, 1996, along with an analysis of expenditures made, results achieved, and problems in the operations and coordination of programs assisted under this part.

(d) RESERVATION OF FUNDS.—The Secretary may reserve not more than 5 percent of the amount appropriated under this part in each fiscal year to carry out the provisions of this section.

(29 U.S.C. 1782g) Enacted September 7, 1992, P.L. 102-367, sec. 406, 106 Stat. 1091.

#### SEC. 498A. DEFINITIONS.

For the purposes of this part—

(1) PARTICIPATING COMMUNITY.—The term “participating community”—

(A) in the case of a community conducting a project in an urban area, means a city in a metropolitan statistical area;

(B) in the case of a community conducting a project in a rural area, means a nonmetropolitan county or contiguous nonmetropolitan counties;

(C) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; or

(D) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee



designated under section 402(c), or a consort grantees and the State.

(2) HIGH POVERTY AREA.—The term “high po means an urban census tract, a nonmetropolitan c tive American Indian reservation, or an Alaska N with a poverty rate of 30 percent or more, as de the Bureau of the Census, or a migrant or sea worker community.

(3) TARGET AREA.—The term “target area” means erty area or set of contiguous high poverty areas the focus of the program in each participating com

(29 U.S.C. 1782h) Enacted September 7, 1992, P.L. 102-367, sec. 1092.

## PART I—MICROENTERPRISE GRANTS PROGRAM

### SEC. 499. MICROENTERPRISE GRANTS.

(a) PROGRAM AUTHORITY.—From the amount app carry out this section for fiscal years 1993 through 1997, the Secretary of Labor shall make grants of not more than \$100,000 per year to not more than 10 States per year to implem enhance community-based microenterprise activities. The amount shall be an amount adequate to ensure that the activ of sufficient size and scope to produce substantial benefi tivities shall be for the benefit of economically disadv persons.

(b) USE OF FUNDS.—Such funds shall be used, notw section 141(q)—

(1) to train program staff in such entrepreneur as business plan development, business managem inventory design, and marketing approaches, and ties necessary to provide effective entry level trai sons developing a microenterprise;

(2) to provide to owners or potential ov microenterprise such technical assistance (includi assistance with respect to business planning, secur marketing, and production of marketing material assistance as may be necessary to develop microe tivities; and

(3) to provide microenterprise support (such as ) programs and counseling).

(c) APPLICATION AND SELECTION.—The Secretary grants competitively under this section on the basis of—

(1) the State commitment, as evidenced by exi posed related programs and support;

(2) evidence of ability to conduct and r microenterprise activities;

(3) evidence of linkage to private, community- and technical assistance providers; and

(4) size of the non-Federal match.

(d) TIMING.—Not later than April 1 of any fiscal y may submit to the Secretary an application. Not later following June 1, the Secretary shall approve not more th applications. Not later than the following July 1, th

shall authorize the applicant to begin the programs. The Secretary may consider making multiyear grants.

(e) MATCHING REQUIREMENT.—

(1) IN GENERAL.—No State shall receive a grant under this section unless the State agrees to provide, to carry out the microenterprise programs, non-Federal contributions in an amount equal to 100 percent of Federal funds provided under such grant.

(2) DETERMINATION.—The non-Federal contribution may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(f) REPORTS.—Each State receiving a grant under this section shall, for each fiscal year for which funds are received, submit to the Secretary a report that describes—

(1) the programs that have been established and developed with such funds, including a description of the persons participating and the microenterprises developed;

(2) the quantitative and qualitative benefits of such programs; and

(3) the contributions of such programs to economic self-sufficiency and economic development.

(g) DEFINITIONS.—As used in this section:

(1) MICROENTERPRISE.—The term “microenterprise” means a commercial enterprise if—

(A) the enterprise has 5 or fewer employees, 1 or more of whom owns the enterprise; and

(B) each of the owners of the enterprise is economically disadvantaged.

(2) STATE.—The term “State” includes—

(A) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; and

(B) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.

(29 U.S.C. 1783) Enacted September 7, 1992, P.L. 102-367, sec. 407, 106 Stat. 1093.

## PART J—DISASTER RELIEF EMPLOYMENT ASSISTANCE

### SEC. 499A. GENERAL AUTHORITY.

(a) QUALIFICATION FOR FUNDS.—Funds appropriated to carry out this part shall be made available in a timely manner by the Secretary to the Governor of any State within which is located an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of the Disaster Relief Act of 1974 (42 U.S.C. 5122 (1) and (2)) (referred to in this part as the “disaster area”).

(b) SUBSTATE ALLOCATION.—Not less than 80 percent of the funds made available to any Governor under subsection (a) shall be allocated by the Governor to units of general local government located, in whole or in part, within such disaster areas. The remain-

der of such funds may be reserved by the Governor for use, in concert with State agencies, in cleanup, rescue, repair, renovation, and rebuilding activities associated with such major disaster.

(c) **COORDINATION.**—Funds made available under this part to Governors and units of general local government shall be expended in consultation with—

(1) agencies administering programs for disaster relief provided under the Disaster Relief Act of 1974; and

(2) the administrative entity and the private industry council in each service delivery area within which disaster employment programs will be conducted under this part.

(29 U.S.C. 1784) Enacted September 7, 1992, P.L. 102-367, sec. 408, 106 Stat. 1094.

#### **SEC. 499B. USE OF FUNDS.**

(a) **PROJECTS RESTRICTED TO DISASTER AREAS.**—Funds made available under this part to any unit of general local government in a disaster area—

(1) shall be used exclusively to provide employment on projects to provide food, clothing, shelter, and other humanitarian assistance for disaster victims and on projects regarding demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

(2) may be expended through public and private agencies and organizations engaged in such projects.

(b) **ELIGIBLE PARTICIPANTS.**—An individual shall be eligible to be offered disaster employment under this part if such individual is—

(1)(A) eligible to participate or enroll, or is a participant or enrolled, under title III of this Act, other than an individual who is actively engaged in a training program; or

(B) eligible to participate in programs or activities assisted under section 401 or 402; and

(2) unemployed as a consequence of the disaster.

(c) **LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.**—No individual shall be employed under this part for more than 6 months for work related to recovery from a single natural disaster.

(d) **REGULATIONS.**—The Secretary shall prescribe such regulations as may be necessary to promote the fiscal integrity of programs conducted with funds made available under this part.

(29 U.S.C. 1784a) Enacted September 7, 1992, P.L. 102-367, sec. 408, 106 Stat. 1095.

#### **SEC. 499C. DEFINITIONS.**

As used in this part, the term "unit of general local government" includes—

(1) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; and

(2) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee des-

ignated under section 402(c), or a consortium of such grantees and the State.

(29 U.S.C. 1784b) Enacted September 7, 1992, P.L. 102-367, sec. 408, 106 Stat. 1095.

## **TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM**

### **SEC. 501. STATEMENT OF PURPOSE.**

It is the purpose of this title to provide incentives to reduce welfare dependency, promote self-sufficiency, increase child support payments, and increase employment and earnings of individuals by providing to each participating State a bonus for providing job training to—

(1) absent parents of children receiving aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), who subsequent to such training pay child support for their children; and

(2) blind or disabled individuals receiving supplemental security income under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), who subsequent to such training are successfully placed in and retain employment.

(29 U.S.C. 1791) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1095.

### **SEC. 502. PAYMENTS.**

(a) **IN GENERAL.**—For each program year for which funds are appropriated to carry out this title, the Secretary shall pay to each participating State the amount that State is eligible to receive under this title.

(b) **RATABLE REDUCTIONS.**—If the amount so appropriated is not sufficient to pay each State the amount each State is eligible to receive, the Secretary shall ratably reduce the amount paid to each State.

(c) **RATABLE INCREASES.**—If any additional amount is made available for carrying out this title for any program year after the application of subsection (b), such additional amount shall be allocated among the States by increasing such payments in the same manner as they were reduced, except that no such State shall be paid an amount that exceeds the amount that the State is eligible to receive under this title.

(d) **REPROGRAMMING.**—If the amount appropriated for a program year is in excess of the amount necessary to pay each State the amount each State is eligible to receive, the Secretary shall allot the excess amount to the States for allocation to the service delivery areas in accordance with section 202 to carry out part A of title II.

(29 U.S.C. 1791a) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1096.

### **SEC. 503. AMOUNT OF INCENTIVE BONUS.**

The amount of the incentive bonus paid to each State shall be the sum of—

(1) an amount equal to the total of the amounts of child support paid by each individual eligible under section 506(1) within the State, for up to 2 years after the termination of the individual from activities provided under this Act; and

(2) an amount equal to the total reduction in the Federal contribution to the amounts received under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) by each individual eligible under section 506(2) within the State, for up to 2 years after the termination of the individual from activities provided under this Act.

(29 U.S.C. 1791b) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1096.

#### SEC. 504. USE OF INCENTIVE BONUS FUNDS.

##### (a) IN GENERAL.—

###### (1) ALLOCATION.—

(A) ADMINISTRATIVE COSTS.—During any program year, the Governor may use an amount not to exceed 5 percent of the total bonus payments of a State for administrative costs incurred under this title, including data and information collection and compilation, recordkeeping, or the preparation of applications for incentive bonuses.

(B) DISTRIBUTION OF PAYMENTS.—The amount of incentive bonus payments that remains after the deduction of administrative costs under subparagraph (A) shall be distributed to service delivery areas and Job Corps centers within the State in accordance with an agreement between the Governor and representatives of such areas and centers. Such agreement shall reflect an equitable method of distribution that is based on the degree to which the efforts of such area or center contributed to the qualification of the State for an incentive bonus payment under this title.

(2) SPECIAL RULE.—Not more than 10 percent of the amounts received under this title in any program year by each service delivery area and Job Corps center may be used for the administrative costs of establishing and maintaining systems necessary for operation of programs under this title, including the costs of providing incentive payments described in subsection (b), technical assistance, data and information collection and compilation, management information systems, post-program followup activities, and research and evaluation activities. The balance of funds not so expended shall be used by each service delivery area for activities described in sections 204 and 264, and by each Job Corps center for activities authorized under part B of title IV.

(b) INCENTIVE PAYMENTS TO SERVICE PROVIDERS.—Each service delivery area or Job Corps center may make incentive payments to service providers, including participating State and local agencies, and community-based organizations, that demonstrate effectiveness in delivering employment and training services to individuals such as those described in section 506.

(c) APPLICATION OF SECTION RELATING TO ADMINISTRATIVE ADJUDICATIONS.—Section 166 (relating to administrative adjudication)

shall apply to the distribution of incentive bonus payments under this section.

(29 U.S.C. 1791c) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1097.

#### SEC. 505. NOTICE AND APPLICATION.

(a) NOTICE OF INTENT TO PARTICIPATE.—Any State seeking to participate in the incentive bonus program established under this title shall notify the Secretary of the intent of the State to participate not later than 30 days before the beginning of the first program year of participation.

(b) APPLICATION.—

(1) IN GENERAL.—Any State seeking to receive an incentive bonus under this title shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require in order to ensure compliance with this title.

(2) CONTENTS.—Each such application shall contain, at a minimum—

(A) a list of the eligible individuals in the State who satisfied the requirements of section 506 during the program year;

(B) the amount of the incentive bonus attributable to each eligible individual and due the State under section 503; and

(C) certification that documentation is available to verify the eligibility of participants and the amount of the incentive bonus claimed by the State.

(c) NOTICE OF APPROVAL OR DENIAL.—The Secretary shall promptly inform a State after receipt of the application as to whether or not the application of the State has been approved.

(29 U.S.C. 1791d) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1097.

#### SEC. 506. ELIGIBILITY FOR INCENTIVE BONUSES.

An individual shall be eligible to participate in a program established under this title if—

(1) the individual—

(A) was an absent parent of any child receiving aid to families with dependent children under part A of title IV of the Social Security Act at the time such individual was determined to be eligible to participate in activities provided under this Act;

(B) has participated in education, training or other activities (including the Job Corps) provided under this Act; and

(C) pays child support for a child specified in subparagraph (A) following termination from activities provided under this Act; or

(2) the individual—

(A) is blind or disabled;

(B) was receiving benefits under title XVI of the Social Security Act (relating to supplemental security income) at the time such individual was determined to be eligible to participate in activities under this Act;

(C) has participated in education, training, or other activities (including the Job Corps) provided under this Act; and

(D) earns from employment a wage or income.

(29 U.S.C. 1791e) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1098.

#### SEC. 507. INFORMATION AND DATA COLLECTION.

(a) **TECHNICAL ASSISTANCE.**—In order to facilitate the collection, exchange, and compilation of data and information required by this title, the Secretary is authorized to provide technical assistance to the States. Such assistance may include cost-effective methods for using State and Federal records to which the Secretary has lawful access.

(b) **JOINT REGULATIONS.**—

(1) **IN GENERAL.**—The Secretary and the Secretary of Health and Human Services shall jointly issue regulations regarding the sharing, among public agencies participating in the programs assisted under this title, of the data and information necessary to fulfill the requirements of this title.

(2) **SUBJECTS.**—Such regulations shall ensure—

(A) the availability of information necessary to verify the eligibility of participants and the amount of the incentive bonus payable; and

(B) the maintenance of confidentiality of the information so shared in accordance with Federal and State privacy laws.

(29 U.S.C. 1791f) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1098

#### SEC. 508. EVALUATION AND REPORT.

(a) **EVALUATION.**—

(1) **IN GENERAL.**—The Secretary shall conduct or provide for an evaluation of the incentive bonus program assisted under this title.

(2) **CONSIDERATIONS.**—The Secretary shall consider—

(A) whether the program results in increased service under this Act to absent parents of children receiving aid to families with dependent children under part A of title IV of the Social Security Act and to recipients of supplemental security income under title XVI of the Social Security Act;

(B) whether the program results in increased child support payments;

(C) whether the program is administratively feasible and cost effective;

(D) whether the services provided to other eligible participants under part A of title II are affected by the implementation and operation of the incentive bonus program; and

(E) such other factors as the Secretary determines to be appropriate.

(b) **REPORT TO CONGRESS.**—Not later than January 1, 1997, the Secretary shall submit a report to the appropriate committees of the Congress on the effectiveness of the incentive bonus program

assisted under this title. Such report shall include an analysis of the costs of such program and the results of program activities.

(29 U.S.C. 1791g) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1099.

#### SEC. 509. IMPLEMENTING REGULATIONS.

The Secretary shall promulgate regulations implementing this title not later than January 31, 1993.

(29 U.S.C. 1791h) Enacted September 7, 1992, P.L. 102-367, sec. 501, 106 Stat. 1099.

### TITLE VI—MISCELLANEOUS PROVISIONS

#### AMENDMENTS TO THE WAGNER-PEYSER ACT

SEC. 601. [This section contained amendments which are incorporated in the text of the Wagner-Peyser Act as it appears on pages 167 through 174.]

#### AMENDMENTS TO PART C OF TITLE IV OF THE SOCIAL SECURITY ACT

SEC. 602. [This section contained amendments which are incorporated in the text of part C of title IV of the Social Security Act as it appears on pages 185 through 198.]

#### EARNINGS DISREGARD

SEC. 603. (a) Section 402(a)(8)(A) of the Social Security Act is amended—

(1) by striking out “and” at the end of clause (iii);

(2) in clause (iv), by striking out “already disregarded under the preceding provisions of this paragraph” and inserting in lieu thereof “disregarded under any other clause of this subparagraph”; and

(3) by adding at the end thereof the following new clause;

“(v) may disregard the income of any dependent child applying for or receiving aid to families with dependent children which is derived from a program carried out under the Job Training Partnership Act (as originally enacted), but only in such amounts, and for such period of time (not to exceed six months with respect to earned income) as the Secretary may provide in regulations; and”.

(b) Section 402(a)(18) of such Act is amended by inserting “, other than paragraph (8)(A)(v)” after “without application of paragraph (8)”.

#### ENFORCEMENT OF MILITARY SELECTIVE SERVICE ACT

SEC. 604. The Secretary shall insure that each individual participating in any program established under this Act, or receiving any assistance or benefit under this Act, has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary in carrying out this section.

(29 U.S.C. 1504) Enacted October 13, 1982, P.L. 97-300, 96 Stat. 1399; amended Nov. 7, 1988, P.L. 100-628, sec. 712, 102 Stat. 3248.



## STATE JOB BANK SYSTEMS

SEC. 605. (a)(1) The Secretary shall carry out the purposes of this section with sums appropriated pursuant to paragraph (2) for any fiscal year.

(2) There are authorized to be appropriated to carry out this section \$50,000,000 for fiscal year 1989 and such sums as may be necessary for each succeeding fiscal year.

(b) The Secretary shall make such sums available through the United States Employment Service for the development and implementation of job bank systems in each State. Such systems shall be designed to use computerized electronic data processing and telecommunications systems for such purposes as—

(1) identifying job openings and referring jobseekers to job openings, with continual updating of such information;

(2) providing information on occupational supply and demand; and

(3) utilization of such systems by career information delivery systems (including career counseling programs in schools).

(c) Wherever possible, computerized data systems developed with assistance under this section shall be capable of utilizing software compatible with other systems (including management information systems and unemployment insurance and other income maintenance programs) used in the administration of employment and training programs. In developing such systems, special consideration shall be given to the advice and recommendations of the State occupational information coordinating committees (established under section 422(b) of the Carl D. Perkins Vocational Education Act), and other users of such systems for the various purposes described in subsection (b) of this section.

(29 U.S.C. 1505) Enacted August 23, 1988, P.L. 100-418, sec. 6307, 102 Stat. 1541-1542; amended September 7, 1992, P.L. 102-367, sec. 702(a)(20), 106 Stat. 1113

## TITLE VII—STATE HUMAN RESOURCE INVESTMENT COUNCIL

### SEC. 701. ESTABLISHMENT AND FUNCTIONS.

(a) IN GENERAL.—Each State may, in accordance with the requirements of this title, establish a single State human resource investment council (in this title referred to as the "State Council") that—

(1) shall review the provision of services and the use of funds and resources under applicable Federal human resource programs and advise the Governor on methods of coordinating such provision of services and use of funds and resources consistent with the laws and regulations governing such programs;

(2) shall advise the Governor on the development and implementation of State and local standards and measures relating to applicable Federal human resource programs and coordination of such standards and measures;

(3) shall carry out the duties and functions prescribed for existing State councils described under the laws relating to the applicable Federal human resource programs;

(4) may identify the human investment needs in the State and recommend to the Governor goals for meeting such needs;

(5) may recommend to the Governor goals for the development and coordination of the human resource system in the State;

(6) may prepare and recommend to the Governor a strategic plan to accomplish the goals developed pursuant to paragraphs (4) and (5); and

(7) may monitor the implementation of and evaluate the effectiveness of the strategic plan prepared pursuant to paragraph (6).

(b) APPLICABLE FEDERAL HUMAN RESOURCE PROGRAM DEFINED.—

(1) IN GENERAL.—(A) Except as provided in subparagraph (B), for purposes of this title, the term “applicable Federal human resource program” includes any program authorized under the provisions of law described under paragraph (2)(A) that the Governor and the head of the State agency responsible for the administration of such program jointly agree to include within the jurisdiction of the State Council.

(B) With respect to a program authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) under paragraph (2)(A)(ii), the term “applicable Federal human resource program” shall only apply to such program if, in addition to meeting the requirements of subparagraph (A), the State council on vocational education agrees to include such program under the jurisdiction of the State Council.

(2) PROGRAMS.—In accordance with the requirements of paragraph (1), applicable Federal human resource programs—

(A) may include the programs authorized under—

(i) this Act;

(ii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

(iii) the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

(iv) the Adult Education Act (20 U.S.C. 1201 et seq.);

(v) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

(vi) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.); and

(vii) the employment program established under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)); and

(B) may not include programs authorized under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

## SEC. 702. COMPOSITION.

(a) IN GENERAL.—Each State Council shall be composed as follows:

(1) Each State Council shall include the head of each State agency responsible for the administration of an applicable Federal human resource program.

(2)(A) Each State Council shall include one or more representatives, appointed by the Governor to the State Council for a minimum of 2 years, from each of the following:

(i) Local public education.

(ii) A postsecondary institution.

(iii) A secondary or postsecondary vocational educational institution.

(iv) A community-based organization.

(B) The total number of representatives appointed under clause (i), (ii), and (iii) of subparagraph (A) shall constitute not less than 15 percent of the membership of the State Council.

(3)(A) Each State Council shall include individuals, appointed by the Governor to the State Council for a minimum of 2 years, from among the following:

(i) Representatives of business and industry, who shall constitute not less than 15 percent of the membership of the State Council, including individuals who are representatives of business and industry on private industry councils established within the State under section 102.

(ii) Representatives of organized labor who—

(I) shall be selected from among individuals nominated by recognized State labor federations; and

(II) shall constitute not less than 15 percent of the membership of the State Council.

(B) If the State labor federation fails to nominate a sufficient number of individuals under subclause (I) of subparagraph (A)(ii) to satisfy the requirement under subclause (II) of such subparagraph, individual workers may be included on the State Council to satisfy such requirement.

(b) ADDITIONAL MEMBERS.—Each State Council may also include additional qualified members, who may be selected from—

(1) representatives from local welfare agencies;

(2) representatives from public housing agencies;

(3) representatives from units of general local government or consortia of such units, appointed from nominations made by the chief elected officials of such units or consortia;

(4) representatives from the State legislature;

(5) representatives from any State or local program that receives funding under an applicable Federal human resource program that the Governor determines to have a direct interest in the utilization of human resources within the State; and

(6) individuals who have special knowledge and qualifications with respect to special education and career development needs of hard-to-serve individuals.

(c) ADDITIONAL REQUIREMENTS.—

(1) PERCENTAGE LIMITATION.—None of the following categories of individuals may constitute more than 60 percent of the membership of each State Council:

- (A) Individuals selected under subsection (a)(1).
- (B) Individuals appointed under subsection (a)(2).
- (C) Individuals appointed under subsection (a)(3)(A)(i).
- (D) Individuals appointed under subsection (a)(3)(A)(ii).
- (E) Individuals selected under subsection (b).

(2) **EXPERTISE.**—The Governor shall ensure that both the State Council and the staff of the State Council have sufficient expertise to effectively carry out the duties and functions of existing State councils described under the laws relating to the applicable Federal human resource programs. Such expertise shall include, where appropriate, knowledge of—

- (A) the long-term needs of individuals preparing to enter the workforce;
- (B) the needs of local, State, and regional labor markets; and
- (C) the methods for evaluating the effectiveness of vocational training programs in serving varying populations.

(29 U.S.C. 1792a) Enacted September 7, 1992, P.L. 102-367, sec. 601(a), 106 Stat. 1101.

### SEC. 703. ADMINISTRATION.

(a) **FUNDING.**—In order to carry out the functions of the State Council, each State establishing a State Council that meets the requirements of this title may—

(1) use funds otherwise available for State councils under the applicable Federal human resource programs;

(2) use funds otherwise available under the applicable Federal human resource programs, consistent with the laws and regulations governing such programs, including funds available to carry out section 123(a)(2)(D), except that, with respect to the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), such State may use funds only to the extent provided under section 112(g) of such Act; and

(3) use funds, services, personnel, facilities and information provided by State and local public agencies, with the consent of such agencies.

(b) **PERSONNEL.**—Each State Council may obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions.

(c) **CERTIFICATION.**—Each State shall certify to the Secretary the establishment and membership of the State Council at least 90 days before the beginning of each period of 2 program years for which a job training plan is submitted under this Act.

(d) **EQUITABLE FUNDING.**—Each State agency participating in a State Council under this title is encouraged to provide funds to support such Council in a manner consistent with its representation on such Council.

(29 U.S.C. 1792b) Enacted September 7, 1992, P.L. 102-367, sec. 601(a), 106 Stat. 1102.